



Shire of Northam  
*Heritage, Commerce and Lifestyle*

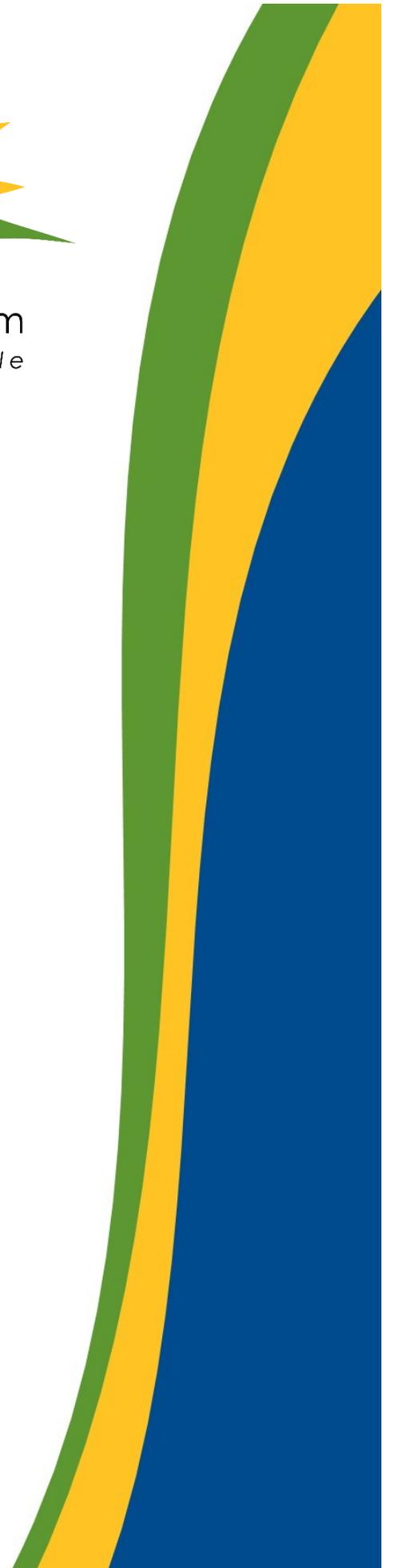
## **Shire of Northam**

### **Agenda**

### **Audit & Risk Management**

### **Committee Meeting**

**16 December 2022**



**NOTICE PAPER**

**Audit & Risk Management Committee Meeting**

**16 December 2022**

Committee Members

I inform you that an Audit & Risk Management Committee meeting will be held in the Council Chambers, located at 395 Fitzgerald Street, Northam on 16 December 2022 at 9:00am.

Yours faithfully



**Jason Whiteaker**  
**Chief Executive Officer**

## DISCLAIMER

This agenda has yet to be dealt with by the Council. The Recommendations shown at the foot of each item have yet to be considered by the Council and are not to be interpreted as being the position of the Council. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Council.

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## Contents

1.	DECLARATION OF OPENING.....	5
2.	ACKNOWLEDGEMENT TO COUNTRY.....	5
3.	ATTENDANCE.....	5
3.1	APOLOGIES.....	5
3.2	APPROVED LEAVE OF ABSENCE.....	5
3.3	ABSENT.....	5
4.	DISCLOSURE OF INTERESTS.....	5
5.	CONFIRMATION OF MINUTES.....	6
5.1	COMMITTEE MEETING HELD ON 25 AUGUST 2022.....	6
6.	COMMITTEE REPORTS.....	7
6.1	SHIRE OF NORTHAM ANNUAL REPORT 2021/22.....	7
6.2	SHIRE OF NORTHAM ANNUAL ELECTORS GENERAL MEETING 2021/22 .....	11
6.3	REGULATION 17 REVIEW.....	14
6.4	FINANCIAL MANAGEMENT REVIEW - 2022.....	43
6.5	MONTHLY COMPLIANCE REPORT.....	61
6.6	RISK REGISTER.....	77
6.7	RISK REGISTER REVIEW.....	80
6.8	WORK HEALTH & SAFETY COMMITTEE MINUTES.....	120
6.9	PROGRESS TOWARDS THE ICT STRATEGY PLAN.....	127
7.	URGENT BUSINESS APPROVED BY DECISION.....	134
8.	DATE OF NEXT MEETING.....	134
9.	DECLARATION OF CLOSURE.....	134

## 1. DECLARATION OF OPENING

## 2. ACKNOWLEDGEMENT TO COUNTRY

The Shire of Northam would like to acknowledge the Traditional Owners of the land on which we meet, the Ballardong and Whadjuk people of the Nyoongar nation and pay our respects to Elders, past, present and emerging.

## 3. ATTENDANCE

### Committee:

Shire President

Deputy President

Councillors

Cr C R Antonio

Cr M P Ryan

Cr A J Mencshelyi

Cr H Appleton

### Staff:

Chief Executive Officer

A/Executive Manager Corporate Services

A/Governance Officer

A/Governance Coordinator

J B Whiteaker

K Matanga

T Van Beek

A McCall

### Guest:

Office of the Auditor General

Dry Kirkness

I Dias

M Johnson

### 3.1 APOLOGIES

Executive Manager Corporate Services

C Young

### 3.2 APPROVED LEAVE OF ABSENCE

Nil.

### 3.3 ABSENT

Nil.

## 4. DISCLOSURE OF INTERESTS

*Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.*

*As defined in section 5.60A of the Local Government Act 1995, a **financial interest** occurs where a Councillor / Committee Member, or a person with whom the Councillor / Committee Member is closely associated, has a direct*

or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.

As defined in section 5.61 of the Local Government Act 1995, an **indirect financial** interest includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

As defined in section 5.60B of the Local Government Act 1995, a person has a **proximity interest** in a matter if the matter concerns a proposed change to a planning scheme affecting land that adjoins the person's land; or a proposed change to the zoning or use of land that adjoins the person's land; or a proposed development (as defined in section 5.63(5)) of land that adjoins the person's land.

As defined in 34C of the Local Government (Administration) Regulations 1996, an **impartiality interest** means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.

Item Name	Item No.	Name	Type of Interest	Nature of Interest

## 5. CONFIRMATION OF MINUTES

### 5.1 COMMITTEE MEETING HELD ON 25 AUGUST 2022

#### RECOMMENDATION

That the minutes of the Audit & Risk Management Committee meeting held on 25 August 2022 be confirmed as a true and correct record of that meeting.

## 6. COMMITTEE REPORTS

### 6.1 SHIRE OF NORTHAM ANNUAL REPORT 2021/22

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Kudzai Matanga, A/Executive Manager Corporate Services
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	N/A
<b>Voting Requirement:</b>	Absolute Majority
<b>Press release to be issued:</b>	Yes – public notice

#### BRIEF

For Council to endorse the Annual Report for 2021/22. There will also be an opportunity to provide a forum for the audit exit interview for Dry Kirkness as auditors of the Office of the Auditor General (OAG), and the OAG to present their opinion and management letter points.

#### ATTACHMENTS

- Attachment 1: Audit Representation Letter and Management Letter (provided as a separate confidential attachment).
- Attachment 2: Annual Report for the year ended 30 June 2022 (provided as a separate attachment to this agenda/minutes).

#### A. BACKGROUND / DETAILS

The Financial Statements for the year ended 30 June 2022 have been audited and will be signed by the Chief Executive Officer and the Auditor General after acceptance by the Audit and Risk Committee.

#### B. CONSIDERATIONS

##### B.1 Strategic Community / Corporate Business Plan

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Outcome 13: A well informed and engaged community.

Objective 13.2: Engage the community about Shire projects, activities and decisions in a timely, open and effective manner.

## **B.2 Financial / Resource Implications**

It is estimated that advertising costs for the availability of the Annual Report and Annual Electors General meeting will be approximately \$1,000 including GST which will be charged to account 040521920 (Advertising).

## **B.3 Legislative Compliance**

### Local Government (Audit) Regulations 1996 Section 9A

CEO to provide documents to Auditor General carrying out financial audit

- (1) In this regulation — audit document means — (a) the strategic community plan as defined in the Local Government (Administration) Regulations 1996 regulation 19BA; or (b) the corporate business plan as defined in the Local Government (Administration) Regulations 1996 regulation 19BA; or (c) another plan or informing strategy specified by the Auditor General; or (d) another document specified by the Auditor General.
- (2) The CEO must provide a copy of an audit document to the Auditor General within 14 days after the Auditor General requests it for the purposes of a financial audit under Part 7 Division 3A of the Act.

### Local Government Act 1995 Section 5.53 Annual Reports:

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain -
  - (a) a report from the mayor or president; and
  - (b) a report from the CEO; and
  - [(c), (d) deleted]
  - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
  - (f) the financial report for the financial year; and
  - (g) such information as may be prescribed in relation to the payments made to employees; and
  - (h) the auditor's report for the financial year under section 7.9(1) or 7.12AD(1) for the financial year; and
  - (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
  - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
    - (i) the number of complaints recorded in the register of complaints, and
    - (ii) how the recorded complaints were dealt with; and
    - (iii) any other details that the regulations may require; and

- (i) such other information as may be prescribed.

Local Government Act 1995 Section 5.54 Acceptance of Annual Reports;

(1) Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.

\* Absolute majority required.

(2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

Local Government Act 1995 Section 5.55 Notice of Annual Reports;

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

Providing the 2021/22 Annual Report is endorsed at the Ordinary Council Meeting proposed on 21 December 2022. It is intended that public notice shall be placed into the West Australian on Tuesday, 27 December 2022.

Notices will also be placed on our Notice Boards, Facebook and the Shire of Northam website.

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	N/A	N/A	N/A
Compliance	The Annual Report is not endorsed prior to 31 <sup>st</sup> December annually.	Insignificant (1) x Possible (3) = Low (3)	Council has a documented process for developing the Annual Report.  In accordance with this process, the Annual Report is prepared and

			presented to the Audit and Risk Management Committee and Council for by 31 <sup>st</sup> December annually.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

**C. OFFICER'S COMMENT**

This year was the fourth year the Shire of Northam was audited by the Office of Auditor General. The process was rigorous and extensive. Dry Kirkness Chartered accountants formerly Butler Settineri was appointed by the OAG as the Shires Auditor.

The table below outlines the reconciliation between the budgeted surplus and the actual surplus as presented in the Financial Report. The adjustments will be carried out as part of the budget review process. The adjustment relates to timing adjustments and has a net effect on the overall budget.

<b>Surplus Reconciliation</b>		<b>2021/22</b>
<b>Budgeted Surplus</b>		<b>-4,090,543</b>
Accrued Revenue		-224,758
Contract Liability		576,440
<b>Financial Report Surplus</b>	<b>Actual</b>	<b>-3,634,394</b>
<b>Unallocated</b>		<b>-104,467</b>

**RECOMMENDATION**

**That Council, by Absolute Majority;**

- 1. In accordance with Sections 5.53 and 5.54 of the *Local Government Act 1995*, accepts the Annual Report for the 2021/22 financial year; and**
- 2. In accordance with Section 5.55 of the *Local Government Act 1995*, authorise the Chief Executive Officer to give public notice of the availability of the Annual Report from Thursday, 22 December 2022.**

**ABSOLUTE MAJORTIY VOTE REQUIRED**

## 6.2 SHIRE OF NORTHAM ANNUAL ELECTORS GENERAL MEETING 2021/22

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Alysha McCall, Acting Governance Coordinator
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	Yes – public notice

### BRIEF

For Council to consider and endorse the date for the Annual Electors General Meeting.

### ATTACHMENTS

Nil.

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### A. BACKGROUND / DETAILS

The Annual Electors General Meeting is to be held within 56 days of the local government accepting the Annual Report.

A requirement of setting the date is that 14 days local public notice is required for advertising the meeting. Providing the Annual Report is endorsed at the Ordinary Council Meeting on 21 December 2022, it is recommended that this be held prior to the January Ordinary Council Meeting which is scheduled on 25 January 2023.

### B. CONSIDERATIONS

#### B.1 Strategic Community / Corporate Business Plan

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Outcome 13: A well informed and engaged community.

Objective 13.2: Engage the community about Shire projects, activities and decisions in a timely, open and effective manner.

## **B.2 Financial / Resource Implications**

It is estimated that advertising costs for the availability of the Annual Report and Annual Electors General meeting will be approximately \$1,000 including GST which will be charged to account 040521920 (Advertising).

## **B.3 Legislative Compliance**

Local Government Act 1995 Section 5.27 Electors' general meetings;

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

Local Government (Administration) Regulation No 15 Matters for discussion at general electors' meetings - s. 5.27(3)

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

Local Government Act 1995 Section 5.29 Convening Electors' Meetings;

- (1) The CEO is to convene an electors' meeting by giving –
  - (a) at least 14 days' local public notice; and
  - (b) each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.
- (2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

## **B.4 Policy Implications**

Nil.

## **B.5 Stakeholder Engagement / Consultation**

Providing the 2021/22 Annual Report is endorsed at the Ordinary Council Meeting on 21 December 2022. It is intended that public notice shall be placed into the West Australian on Tuesday, 27 December 2022.

Notices will also be placed on our Notice Boards, Facebook and the Shire of Northam website.

## **B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	N/A	N/A	N/A
Compliance	<p>An Annual Electors Meeting is not held once each financial year and not more than 56 days after the local government accepts the annual report.</p> <p>Public Notice is not given in accordance with legislative requirements.</p>	<p>Insignificant (1) x Possible (3) = Low (3)</p>	<p>Council has a documented process for developing the Annual Report. This process includes the requirements associated with the Annual Electors Meetings.</p>
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

**C. OFFICER'S COMMENT**

Council is requested to endorse the date proposed, in accordance with the *Local Government Act 1995*, for the Annual Electors Meeting.

**RECOMMENDATION**

**That Council holds the Annual Electors General Meeting on Wednesday, 25 January 2023 at 5.00pm at the Shire Administration Centre and authorise the Chief Executive Officer to give public notice of the meeting from Thursday, 22 December 2022.**

### 6.3 REGULATION 17 REVIEW

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Alysha McCall, Acting Governance Coordinator
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

#### BRIEF

For the committee to receive the Regulation 17 Review report that was conducted by the Acting Governance Coordinator and Chief Executive Officer between the 8 November and the 2 December 2022.

This report aims to establish an ongoing level of accountability to ensure that Council's risk management, internal controls and legislative compliance is appropriate and effective.

#### ATTACHMENTS

Attachment 1: Regulation 17 Review.

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#### A. BACKGROUND / DETAILS

Section 17 of the Local Government (Audit) Regulations requires the Chief Executive Officer to review the appropriateness and effectiveness of the Council's systems and procedures as they relate to the following areas:

- Risk management
- Internal controls, and
- Legislative compliance

The Acting Governance Coordinator and Chief Executive Officer carried out the review internally, the attached report is supplied to Council with the findings and recommendations.

#### B. CONSIDERATIONS

##### B.1 Strategic Community / Corporate Business Plan

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Priority Action 12.1.4: Provide internal auditing capabilities (including providing additional human or financial resources) and publish findings annually.

## **B.2 Financial / Resource Implications**

Staffing resources are required in order to action the recommendations detailed within the Regulation 17 review.

## **B.3 Legislative Compliance**

*Local Government (Audit) Regulations 1996 Section 17 sets out the following:*

17. CEO to review certain systems and procedures
  - (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
    - (a) risk management; and
    - (b) internal control; and
    - (c) legislative compliance.
  - (2) The review may relate to any or all of the matters referred to in sub-regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.
  - (3) The CEO is to report to the audit committee the results of that review.

## **B.4 Policy Implications**

Not applicable.

## **B.5 Stakeholder Engagement / Consultation**

Executive Management and relevant Officers as required to carry out the review.

## **B.6 Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (likelihood x consequence)</b>	<b>Mitigation Action</b>
Financial	N/A		
Health & Safety	N/A		
Reputation	Potential damage to reputation if Regulation 17 Review not carried out.	Unlikely (2) x Insignificant (1) = Low (2)	Continual improvement.
Service Interruption	N/A		

Compliance	Council may be at risk of not generating continuous improvement, better practice, good governance and legislative compliance.	Unlikely (2) Minor (2) = Low (4)	Ensure identified actions are addressed.
Property	N/A		
Environment	N/A		

**B.7 Natural Environment Considerations**

Not applicable.

**C. OFFICER'S COMMENT**

In assessing the Council's risk management, internal controls and legislative compliance a risk based approach has been applied to assert identifiable risks from the following areas;

- Risk management
- Internal controls, and
- Legislative compliance

The assessment undertaken looked at potential causes of risk to Council within each of these areas, the key controls which currently exist to mitigate the risk, an assessment of the quality of the controls and an overall assessment of the risk rating for the area. Additionally the assessment looked at the key indicators currently in place to ensure we are monitoring the controls and a risk tolerance level, which implies the organisations appetite for risk in each of the areas. Finally, the report / assessment undertaken identified the actions required to improve areas which are deemed inadequate or requiring attention.

There are a number of areas highlighted within the report that have been assessed as requiring either updating or improvement. These are clearly identified within the appended report, along with the necessary strategies to bring these up to an acceptable standard.

Each of the areas that require improvement will receive attention to ensure that adequate controls/documentation are in place into the future.

The report also highlights positive outcomes, with the Shire being proactive in the management of risk, internal controls and legislative compliance.

**RECOMMENDATION**

**That Council:**

- 1. Adopt the 2019 Regulation 17 Review, undertaken by the Chief Executive Officer for systems and procedures relating to;**
  - Risk Management
  - Internal Controls
  - Legislative Compliance
- 2. Request the Chief Executive Officer to report to the Committee on the progress towards the recommended actions from the Regulation 17 Review.**

**Attachment 1 – Regulation 17 Review**



**Shire of Northam**

**Regulation 17 Review**

**Author: Chief Executive Officer, Jason Whiteaker /  
Acting Governance Coordinator, Alysha McCall**



**Contents**

- 1. Risk management .....4**
  - 1.1 Reviewing whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered; .....4
  - 1.2 Reviewing whether the local government has a current and effective business continuity plan (including disaster recovery) which is tested from time to time; .....5
  - 1.3 Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly in the following areas;.....6
    - 1.3.1 Potential non-compliance with legislation, regulations and standards and local government's policies; .....6
    - 1.3.2 Litigation and claims; .....6
    - 1.3.3 Misconduct, fraud and theft;.....6
    - 1.3.4 Significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the Local Government; ..... 11
  - 1.4 Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported; ..... 12
  - 1.5 Assessing the adequacy of Local Government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance; ..... 12
  - 1.6 Reviewing the effectiveness of the local government's internal control system with management and the internal auditors;..... 12
  - 1.7 Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk; ..... 13
  - 1.8 Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied; ..... 13
  - 1.9 Should the need arise, meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment; ..... 13
  - 1.10 Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks. .... 14



Shire of Northam Regulation 17 Review



- 2. Internal control ..... 15**
  - 2.1 Separation of roles and functions, processing and authorisation; ..... 15
  - 2.2 Control of approval of documents, letters and financial records; ..... 18
  - 2.3 Limit of direct physical access to assets and records; ..... 18
  - 2.4 Limit access to make changes in data files and systems; ..... 18
  - 2.5 Regular maintenance and review of financial control accounts and trial balances; ..... 19
  - 2.6 Comparison and analysis of financial results with budgeted amounts; ..... 19
  - 2.7 Report, review and approval of financial payments and reconciliations; and ..... 19
  - 2.8 Comparison of the result of physical cash and inventory counts with accounting records ..... 19
- 3. Legislative compliance ..... 20**
  - 3.1 Reviewing the annual Compliance Audit Return and reporting to council the results of that review; ..... 20
  - 3.2 How management is monitoring the effectiveness of its compliance and making recommendations for change as necessary; ..... 20
  - 3.3 Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints; ..... 21
  - 3.4 Obtaining assurance that adverse trends are identified and review management's plans to deal with these; ..... 25
  - 3.5 Reviewing management disclosures in financial reports of the effect of significant compliance issues; ..... 25
  - 3.6 Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements; ..... 25
  - 3.7 Complying with legislative and regulatory requirements imposed on audit committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest; ..... 25

## Shire of Northam Regulation 17 Review



The Department of Local Government, Sport and Cultural Industries provide an operation guideline (No.9), which focuses on audit committees. As part of this guideline, appendix 3 provides a framework for Chief Executive Officers in conducting the required Regulation 17 review. This guideline has been used as the basis for undertaking this review in 2019.

On the previous two occasions this review has been undertaken, being 2016 and 2013, external groups have been utilised. On this occasion the Chief Executive Officer and Acting Governance Coordinator have undertaken the review, it is anticipated in future years external groups will be utilised to provide fresh perspectives and insights.

### 1. Risk management

Internal control and risk management systems and programs are a key expression of a local government's attitude to effective controls. Good audit committee practices in monitoring internal control and risk management programs typically include:

#### 1.1 Reviewing whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered;

Council has adopted the use of a software application, Promapp, to use as the basis for developing, monitoring and reporting on controls within its risk register.

The use of the Promapp system is supported by the recently Risk Policy which provides a detailed framework as to how risks are identified and considered for inclusion of the organisational risk register. This policy is due for review in the 2022/23 financial year.

In essence risks are identified and assessed formally through a range of mechanisms including;

- Council reports
- Council plans
- Council projects

Any risks identified as being high or extreme are automatically escalated to the Shire of Northam risk register in Promapp. The Shire of Northam Audit & Risk Management Committee are provided with reports on the Council risk register. These reports are a full disclosure of the risk register annually and a report on non - compliance with risk mitigation action timeframes at each meeting of the committee.

The committee also discussed at the meeting held on 25 August 2022

Shire of Northam Regulation 17 Review



reviewing 10 risks on the register at each future meeting which will commence at meeting proposed in December 2022.

Council may benefit from developing a risk management process which is typically defined as "the systematic application of management policies, procedures and practices to the activities of communicating and consulting, establishing the context, identifying, analysing, evaluating, treating, monitoring and reviewing risk". The process should align with the AS ISO 31000: 2018 Standard (the Risk Management Standard) and will assist in embedding risk management as an integral part of the Shire's operations.

**Action to be taken:**

- 1. Review Risk Management Policy;**
- 2. Develop a Risk Management Process.**

**1.2 Reviewing whether the local government has a current and effective business continuity plan (including disaster recovery) which is tested from time to time;**

The Shire of Northam has a Business Continuity Plan which was adopted in 2016. While the business continuity plan is in place, it is overdue for review with this being due in 2020.

Council adopted an IT Disaster Recovery Plan on 18 March 2020. This document is overdue for review with this being due in March 2022.

The onset of Covid-19 pandemic over 2021 and 2022 has highlighted weaknesses in the Shire of Northam Business Continuity Plan which will be addressed as part of the 2023 review. Focuses of the review need to be around provided a clearer workable document that can be applied across the organisation.

It is recommended that both plans should be reviewed and tested annually in order to understand the shortcomings within the plan and enable the recovery teams to restore operations in accordance with the recovery procedure.

**Action to be taken:**

- 1. Review the Business Continuity Plan;**
- 2. Review the IT Disaster Recovery Plan;**
- 3. Establish a program to test the Business Continuity Plan and IT Disaster Recovery Plan annually to ensure efficacy.**

**1.3 Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly in the following areas;**

**1.3.1 Potential non-compliance with legislation, regulations and standards and local government's policies;**

The Promapp risk system provides for compliance reporting/sign off for all risk treatments. In relation to potential legislative non-compliances a monthly compliance calendar has been developed and is audited by the Governance Coordinator which is also signed off monthly. Any non-compliances are brought to the attention of the relevant Executive Manager and Chief Executive Officer.

In relation to policy, application thereof is monitored at a number of levels;

- Reporting to Council – a separate section relating to policy application is provided, this ensure staff are actively reminded of need to assess policy implications
- Procurement Policy – The Promapp risk system has documented the process with attached current documentation and checklists to ensure the Procurement Policy is adhered to. All checks and balances and authorisations are in place, including a section to cover exceptions where non-compliance to the policy occurs. Only authorised purchases are processed and paid.
- General Policy – All critical processes within the Shire of Northam are mapped utilising the Promapp system. As part of the mapping a procedure is in place for each of the processes, which includes links and references to all key policies.

**1.3.2 Litigation and claims;**

Council has a documented process and procedure in place for the management of insurance claims.

**1.3.3 Misconduct, fraud and theft;**

**Fraud**

The Auditor General tabled the Fraud Risk Management — Better Practice Guide in Parliament on 22 June 2022. This was further to the Fraud Prevention in Local Government performance audit report which was tabled in Parliament on 15 August 2019. All local governments need to ensure they have policies and procedures and

Shire of Northam Regulation 17 Review



a fraud risk management program to address the better practice principles provided by the Fraud Risk Management — Better Practice Guide and Appendix 2: Better practice principles - Office of the Auditor General report. While the Auditor General acknowledges the Appendix 2 - Better Practice Principles is not exhaustive, it has been used for the purposes of this report to Council;

Objective	Principle	What we would expect	Chief Executive Officer Comment
Planning Develop a coordinated approach to manage fraud risks	Risks are understood	<ul style="list-style-type: none"> <li>Fraud risks across organisation are assessed, documented and controls are in place.</li> </ul>	<ul style="list-style-type: none"> <li>Documented within the Fraud and Corruption Control Plan and review bi-annually.</li> </ul>
	Approach is documented	<ul style="list-style-type: none"> <li>Fraud and Corruption Control Plan (Plan) is in place and reviewed at least once every 2 years.</li> </ul>	<ul style="list-style-type: none"> <li>In place. Next review is due by June 2023.</li> </ul>
	Internal audit considers fraud risks	<ul style="list-style-type: none"> <li>Audit committee engages with internal audit plan to ensure fraud risks are considered.</li> </ul>	<ul style="list-style-type: none"> <li>Existing however could be further developed to include a more formal plan endorsed by the Committee and checks on the risks identified in the risk assessment. Audit committee would be recommended to take a more proactive approach in developing the internal audit framework.</li> </ul>
Prevention Create a fraud resistant organisation	Policy framework is in place	<ul style="list-style-type: none"> <li>Integrity policies (such as Codes of Conduct and conflicts of interest) are appropriate, clearly written and available.</li> </ul>	<ul style="list-style-type: none"> <li>Various policies / codes of conduct in place.</li> <li>Recommended that staff are required to review and sign off code</li> </ul>

Shire of Northam Regulation 17 Review



Objective	Principle	What we would expect	Chief Executive Officer Comment
		<ul style="list-style-type: none"> <li>▪ Staff regularly engage with integrity policies. For example, signing yearly an understanding of the Code of Conduct.</li> <li>▪ Fraud prevention and awareness training, newsletters and presentations are used to communicate entities ethical standards to staff.</li> </ul>	<ul style="list-style-type: none"> <li>of conduct annually.</li> <li>▪ Integrity provision within Procurement Policy, which forms part of the documented procurement process. Procurement Policy is included within employee induction where they are required to sign-off that they acknowledge and understand the process.</li> <li>▪ No fraud prevention training has been undertaken in recent times.</li> </ul>
	Internal controls are in place	<ul style="list-style-type: none"> <li>▪ Business processes, especially those assessed as higher risk, have controls that are well documented, updated and understood by all staff.</li> <li>▪ Entities verify identity and credentials of all new employees and employees transferring to areas of higher risk, including:                             <ul style="list-style-type: none"> <li>◦ verify necessary qualifications</li> <li>◦ review of past work history</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ High risk business processes have been mapped with supporting procedures. Staff are constantly required to review and apply processes. Processes are web based and readily available.</li> <li>▪ Selected new employees have their credentials verified.</li> <li>▪ Copies of all relevant qualifications are received and checked during induction.</li> <li>▪ An onboarding checklist is in place</li> </ul>

Shire of Northam Regulation 17 Review



Objective	Principle	What we would expect	Chief Executive Officer Comment
		<p>and referee checks</p> <ul style="list-style-type: none"> <li>o criminal background checks</li> <li>o confirm professional memberships are valid.</li> </ul> <ul style="list-style-type: none"> <li>• Supplier credentials are checked, particularly for high-risk or high value purchases, including:                             <ul style="list-style-type: none"> <li>o Confirm ABN</li> <li>o confirm directors are not bankrupt or disqualified.</li> </ul> </li> </ul>	<p>to ensure all job specific qualifications required are in place and valid. All qualifications are monitored via a training database for expiry (if applicable)</p> <ul style="list-style-type: none"> <li>• All new employees have to obtain a police clearance before they are offered employment with the Shire.</li> <li>• Referee checks are carried out on all new employees.</li> <li>• Credit applications are checked to be legitimate using the ATO ABN lookup website. A copy of the status and trading name is printed to accompany the credit application.</li> <li>• Where there is a change in banking details, either on the creditor invoice or by email, the creditor is called using the existing details from Synergy, to confirm they are true and correct. The checking officer will sign the bank details notification to identify authentication has been carried out.</li> </ul>

Shire of Northam Regulation 17 Review



Objective	Principle	What we would expect	Chief Executive Officer Comment
			<ul style="list-style-type: none"> <li>Where the amounts involved are large capital projects due diligence in the past has been undertaken using a third party. Once the outcome is scrutinised and the commitment is endorsed, a project bank account has been utilised. The Creditor supplies a list of sub-contractors to be paid. Both parties authorise the payments to these contractors to ensure payment is made to third parties in a timely fashion.</li> </ul>
Detection Entities are ready to detect fraud	Detection systems are in place	<ul style="list-style-type: none"> <li>Entities should implement detection systems, as appropriate to their business needs, to identify potential fraud as soon as possible.</li> <li>Multiple avenues are in place for staff, the public and suppliers to report concerns.</li> <li>Reporting processes are well advertised, and include anonymous options.</li> </ul>	<ul style="list-style-type: none"> <li>Procedure controls including internal audit, external audit and actual vs budget analysis have been set up. Internal audit could be further developed to include checks on the risks identified in the risk assessment.</li> <li>Information available on the Shire's website relating to Public Interest Disclosures including responsibilities, how to report, process etc. <a href="#">View here.</a></li> </ul>

Shire of Northam Regulation 17 Review



Objective	Principle	What we would expect	Chief Executive Officer Comment
			<ul style="list-style-type: none"> <li>Information available on the Shire's website relating to lodging complaints. <a href="#">View here.</a></li> <li>Detection systems in place through receiving complaints, public interest disclosures, internal audits, disclosure of interest processes, primary / annual returns.</li> </ul>
Response Entities are ready to respond to potential fraud	All information is considered	a) Entities should implement processes to record, analyse and escalate all incidents. b) Processes are in place to review internal controls after incidents.	c) Developed / mapped a process to manage Public Interest Disclosures. <a href="#">View here.</a> d) Developed / mapped a process to manage staff misconduct. <a href="#">View here.</a>

- Action to be taken:**
1. Review the Fraud and Corruption Control Plan prior to June 2023.
  2. Develop internal audit framework to include audits on identified risks in the Fraud and Corruption Control Plan.
  3. Implement an annual review and sign off for the Code of Conduct for Employees, Volunteers, Contractors and Agency Staff.
  4. Provide staff with specific training on fraud controls and conducting investigations.
  5. Review the ICT Strategy prior to June 2024.

**1.3.4 Significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the Local Government;**

Shire of Northam Regulation 17 Review



Captured in the organisational risk register which is reported to the Audit and Risk Management Committee.

**1.4 Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported;**

In accordance with newly adopted Council policy, risks register non-compliances are reported to the Audit & Risk Management Committee for their information/action.

The risk register is reported to the Audit & Risk Management Committee by exception, focusing on the top ten risk each quarter (by score). From December 2022 the committee will be reviewing 10 risks on the register at each meeting.

**1.5 Assessing the adequacy of Local Government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance;**

Following mitigation actions in place within risk register;

1. Review of past 5 year Insurance performance (comparing premium contributions against claims). May result in assessing a range of factors including current level of cover, excesses and structure of workers compensation premium.
2. Insurance coverage reviewed internally prior to presenting to Chief Executive Officer for sign off.
3. Insurance coverage assessed independently for adequacy (every two years).

The Shire of Northam has a number of leases whereby the lessee is required to maintain appropriate public liability insurance. There is currently no mechanism in place whereby the Shire of Northam reviews that there is appropriate public liability insurance.

**Action to be taken:**

**Implement systems to ensure appropriate insurance is maintained where required by the Shire of Northam for leases and licenses.**

**1.6 Reviewing the effectiveness of the local government's internal control system with management and the internal auditors;**

Shire of Northam Regulation 17 Review



1. It is considered that the Shire of Northam has a strong level of internal control over management of both strategic and operating risks, utilising the Promapp software package;
  - a. Risks identified.
  - b. Risk treatment is recorded in Promapp, which includes sign off owners, frequency of review, due date.
  - c. Promapp generates automatic email to sign off owners on due date.
  - d. Owner required to sign off and insert comment, may also be required to provide an attachment.
  - e. In event owner does not sign off in required timeframe escalation email is sent to the risk owner.
  - f. All outstanding / overdue treatments are reported monthly to Executive Management meeting.
  - g. All outstanding / overdue treatments are reported quarterly to Audit & Risk Management Committee.
  - h. From December 2022 the committee will be reviewing 10 risks on the register at each meeting.

**1.7 Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk;**

Council's policy relating to risk management provides clear guidance on assessing risk and how matters are escalated into the organisational risk register.

Key risks are identified through a range of areas, being Council reports, project plans, Council plans & strategies.

**1.8 Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied;**

Council has an adequate procurement framework in place, which is underpinned by the Promapp procurement process. The process and associated procedure provide a full and extensive guide to procurement within the Shire of Northam including identifying and linking to key elements of the framework including legislation, policy and internal guidelines.

**1.9 Should the need arise, meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment;**

The Promapp system allows for, and promotes, the continual identification and implementation of improvements or changes in control environments.

Shire of Northam Regulation 17 Review



This being the case immediate improvements are suggested and assessed by process owners as soon as staff become aware. In addition to this, processes are required to be reviewed and signed off by process owners on either a bi-annual basis.

Additionally the Executive Management Team review risks and outstanding treatments monthly, whilst a report is provided quarterly on any outstanding treatments to the Shire of Northam Audit & Risk Committee. A full copy of the risk register is provided to the Audit & Risk Committee annually for review.

**1.10 Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks.**

The following fraud and misconduct risks have been identified;

**Internal**

- Corporate card misuse, such as payment for personal expenses
- Fictitious names on the payroll system.
- Delayed terminations.
- Abuse of position and power, including accepting or offering bribes or gifts.
- Nepotism.
- Submitting false travel claims.
- Consistently recording incorrect hours of work on timesheets.
- Unauthorised use of Shire vehicles.
- Fuel card misuse
- Theft or unauthorised use of public funds or physical resources, such as office supplies and stationery.

**External**

- Customers deliberately claiming benefits for which they are ineligible.
- External providers making claims for services that were not provided.
- The provision of false or misleading information. Failure to provide information when obliged to do so.
- Inappropriate influence over grants and funding applications.
- Manipulation of a procurement process.

**Collusion**

- Inappropriate involvement with suppliers, including unlawful or unauthorised release of information.
- Knowingly making or using forged or falsified documentation.
- Failing to declare and appropriately manage conflicts of interest.

Shire of Northam Regulation 17 Review



The treatment strategies in place for these identified risks is varied ranging from adequate to inadequate.

**Action to be taken:**

**Review the Fraud and Corruption Control Plan prior to June 2023.**

## 2. Internal control

Internal control is a key component of a sound governance framework, in addition to leadership, long-term planning, compliance, resource allocation, accountability and transparency. Strategies to maintain sound internal controls are based on risk analysis of the internal operations of a local government.

An effective and transparent internal control environment is built on the following key areas:

- integrity and ethics;
- policies and delegated authority;
- levels of responsibilities and authorities;
- audit practices;
- information system access and security;
- management operating style; and
- human resource management and practices.

The following are the controls that have been reviewed:

- Ledger Reconciliations monthly signed and dated by Officers and Managers
- Audit reports signed by Managers for payroll, creditors, debtors, and payroll
- ABN's checked on receipt of a new creditor application to ensure the business is legitimate
- Credit card statements signed and authorised by the card holders, Executive Managers and the CEO
- Signed receipt is given to the deliverer of cash from the external sites by the receiving officer who counts the money immediately
- Signing of all journals raised in Synergy
- Payment Runs, feedback to Executive Managers regarding the timeliness and accuracy of the paperwork processed
- Any changes to Synergy permissions is only processed by the ICT Officers or Accountant
- Any payments by any means other than a tax invoice have a signed statutory declaration, supporting Council Resolution or copy of the endorsed budget item

### 2.1 Separation of roles and functions, processing and authorisation;



Shire of Northam Regulation 17 Review



The Shire of Northam endeavours to have distinct separation of roles and functions, processing and authorisations, which appropriate. As a medium sized local government it is not always possible to have complete separation of duties, however in the following key areas it is in place;

<p>Payment of Creditors</p>	<ul style="list-style-type: none"> <li>• Creditors create invoices batches, linked to authorised purchase orders or signed cheque requisitions. Compliance and authorisations are checked.</li> <li>• Creditors Officer Batches are checked by Procurement Coordinator.</li> <li>• EFT/cheque run is created by Creditors Officer based on due dates. System driven. Corresponding invoices are matched to each payment by Creditors Officer.</li> <li>• Payment Run is uploaded to the Bank by the Creditors Officer, summary completed, and corresponding bank transfer where insufficient funds are in the Muni account is created. The bank account file is uploaded directly from Synergy to the Bank.</li> <li>• The payment run is checked invoice by invoice, purchase order by purchase order to ensure coding, bank accounts and authorisation is complete by the Accountant and One Executive Manager or CEO. Once checked as correct it is then authorised by two signatories.</li> <li>• Monthly reconciliations and audit trails are signed by an Officer and the Accountant.</li> </ul>
<p>Receipting and Banking</p>	<ul style="list-style-type: none"> <li>• Receipting is undertaken by Customer Services Officers. All receipts and banking is balanced at the close of business daily. Each Officer signing for their balances and banking.</li> <li>• A different Administration Officer counts and balances the cash, daily and records it in the bank receipt book.</li> <li>• The Officer takes the cash to the Bank or where the cash balance is significant, two Officers will go to the Bank.</li> <li>• The Senior Finance Officer balances the Bank Reconciliation daily.</li> <li>• All batches processed by satellite centres are emailed to Senior Finance Officer daily to ensure balance details for receipting into the bank are correct.</li> </ul>

Shire of Northam Regulation 17 Review



Journal Processing	<ul style="list-style-type: none"> <li>• All GL journals for code corrections or allocations are raised with supporting documentation and emails by Senior Finance Officer, Senior Accountant or Executive Manager of Corporate Services.</li> <li>• Each journal is signed by a different Officer in that group to authenticate its accuracy including the printout from Synergy of each journal that is signed by that person.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>• Payroll processing is undertaken under the supervision of the Payroll Officer.</li> <li>• Any data entry performed by any other Shire Officer is checked by the Payroll Officer.</li> <li>• Any ad hoc calculations for termination pays, leave payouts or annual leave are checked and signed off by the Senior Accountant.</li> <li>• Once the payroll has been processed in variations, the Payroll Officer and Senior Finance Officer then check the current pays to the previous fortnight and compare and note any differences.</li> <li>• This is then checked and signed by the Senior Accountant.</li> <li>• Once authorised the pay run is generated. The Payroll Officer uploads the Synergy file to the Bank and creates a corresponding bank transfer.</li> <li>• This is checked, signed and authorised by two signatories, usually the Senior Accountant and an Executive Manager.</li> <li>• Monthly reconciliations are checked and signed by the Executive Manager of Corporate services.</li> <li>• Fortnightly audit trails are checked and signed by the Senior Accountant.</li> </ul>
Bank Reconciliations	<ul style="list-style-type: none"> <li>• Bank Reconciliations are undertaken daily by the Senior Finance Officer.</li> <li>• All investments and payments are always authorised by the Senior Accountant and an Executive Manager or CEO.</li> <li>• An investment register is updated monthly detailing bank, amount invested, term to maturity and interest rate.</li> <li>• Any changes of Bank Limits are done through phone banking using token and identity checks including an SMS message to a mobile phone.</li> <li>• Monthly reconciliations are checked and signed by both the Senior Finance Officer and Accountant.</li> </ul>

Shire of Northam Regulation 17 Review



**2.2 Control of approval of documents, letters and financial records;**

The Shire of Northam ensures that all documents are recorded and stored in a secure room. A register is in place to enable the tracking of records and files. Electronic records have varying degrees of access depending on the staffs position within the organisation.

An audit of several registered documents and sensitive files e.g. personnel files was undertaken and found that some documents that were considered to be sensitive, were not appropriately registered as limiting view. This requirement is captured on the relevant processes.

**Action to be taken;**

**Staff to be provided with training/reminder of need to register certain documents whilst limiting access.**

**2.3 Limit of direct physical access to assets and records;**

Most records are held in a separate records room, which is administered by the Shire of Northam Records Officer. All records which are required by staff are signed out through the records officer. The Records Officer has sight of all records within the room.

Various physical lease and licence agreements are maintained in a cabinet outside of the Records room near finance.

Access to Council buildings is limited by either the use of a 'fob' or hierarchical key system. Staff entering or leaving buildings using the 'fob' can be tracked via the requirement to enter a unique code into the various alarm systems.

**Action to be taken;**

**Store physical lease and licence records in the Records room to ensure records are appropriately administered.**

**2.4 Limit access to make changes in data files and systems;**

- Synergy access is limited and locked down for areas to minimise changes, Audit trails are in place and reviewed monthly with names times and Officers who have made changes.

Shire of Northam Regulation 17 Review



- Access to G: (hosts majority of Council staff working documents) is limited on a hierarchical basis.
- Promapp: (hosts risk register, processes, OHS reports and inspections and document depository). Access is available to majority of people within organisation however there a limited staff with the ability to make changes. Whenever changes are made multiple signs offs are required prior to being published. Extensive audit trails are available.

**2.5 Regular maintenance and review of financial control accounts and trial balances;**

Monthly management and financial reporting by the Senior Accountant, Managers and Executive team ensures any anomalies are investigated, captured and corrected.

**2.6 Comparison and analysis of financial results with budgeted amounts;**

- Reports developed start of each financial year.
- Structured around Department, function and sub function, general ledger and job.
- Available to all staff (focused on executive management, management and supervisor level).
- All Departments reviewed monthly by Chief Executive Officer & Executive Manager of Corporate Services – exception reporting provided (identifying areas of concern).
- Executive Managers required to review their Departments monthly.
- Monthly reporting to Council at function level, with reporting at G/L level for capital items.

**2.7 Report, review and approval of financial payments and reconciliations; and**

Extensive process and procedure is in place which is considered adequate.

**2.8 Comparison of the result of physical cash and inventory counts with accounting records.**

Physical cash and inventory is held at numerous sites under the control and management of the Shire of Northam;

- Northam Recreation Centre / Aquatic Facility
- Wundowie Swimming Pool
- Bilya Koort Boodja
- Northam Visitor Centre
- Northam Library
- Wundowie Library
- Create 298

Shire of Northam Regulation 17 Review



- Killara Day Care Centre

**Action to be taken;**

**Develop process and procedure for offsite stock management.**

### 3. Legislative compliance

The compliance programs of a local government are a strong indication of attitude towards meeting legislative requirements. Audit committee practices in regard to monitoring compliance programs typically include:

- Monitoring compliance with legislation and regulations;
- Monitoring the compliance Audit Return and reporting; and
- The credibility and objectivity of external financial reporting

#### 3.1 Reviewing the annual Compliance Audit Return and reporting to council the results of that review;

Compliance Audit Return (CAR) is assessed internally (Governance Coordinator) and submitted to Council, via the Audit & Risk Management Committee annually. To add further rigour around the compliance return, the Governance Coordinator has an internal audit framework in place which includes assessing monthly requirements of the CAR. This has been implemented to ensure that any non-compliances are identified in a timely manner, enabling prompt resolution, rather than waiting for the 'annual' audit.

In preparing the CAR for signoff by the CEO, the Governance Coordinator is required to provide documentation to support the assertions made within the CAR.

**Action to be taken;**

**Have the CAR undertaken independently once in every three years (next due in 2023).**

**Car completed progressively on a monthly as part of internal audit process**

#### 3.2 How management is monitoring the effectiveness of its compliance and making recommendations for change as necessary;

Shire of Northam Regulation 17 Review



Per above, in addition this is tracked through the Promapp system, which requires the Governance Coordinator to sign off on CAR assessment, Purchasing Policy compliance assessment, and other Legislative internal audit reviews.

**Action to be taken;**

**Report non-compliances identified through internal audits to the Executive Management monthly meeting.**

**3.3 Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints;**

The WA Ombudsman provides a checklist for effective complaint handling which sets out ten good practice principles. This review of the complaints process/procedures has been reviewed against these principles:

1. Principle: The organisation is committed to effective complaint handling and values feedback through complaints.
  - a) The Shire of Northam has an adopted Customer Service Charter which is endorsed October 2018. This Charter is overdue for review.
  - b) Council has an extensive complaints management process and procedure in place within Promapp. This process is available to all staff and allows for staff to provide feedback to raise any process/policy inadequacies.
2. Principle: Information about how and where to complain is well publicised to customers, staff and other interested parties.
  - a) The Shire of Northam website has a section dedicated to providing information to the public in relation to lodging complaints including what to do if the complaint is not resolved.
  - b) All staff have access to the documented complaints process.
3. Principle: The process of making a complaint and investigating it is easy for complainants to access and understand.
  - a) Complaints should be handled at no charge, and this should be made clear in information provided about the complaint handling process. This is currently not detailed within the information to the community and is suggested that the website be updated to include this information.
  - b) Information about the complaints process should be available in a variety of forms of communication, formats and languages appropriate to the needs of the customer. It is suggested that there

Shire of Northam Regulation 17 Review



- be an option to provide this information in the form of other languages and incorporating a "Listen" option.
- c) Complaints and all supporting documents provided during a complaint resolution or investigation process are accepted in a number of different ways including in person, over the phone, and in writing via email and letter. Interpreting services for non-English speaking people should be provided, this is currently not available/documented within the current process.
4. Principle: Complaints are acknowledged in a timely manner, addressed promptly and according to order of urgency, and the complainant is kept informed throughout the process.
- a) Complaints should be acknowledged promptly. The current process required complaints to be acknowledged within 2 business days.
- b) Staff should be aware of any target timelines for resolving complaints. The current complaints process details timelines however this could be adjusted to make this clear.
- c) Where appropriate, special arrangements for responding to particular client groups should be put in place, for example, Indigenous Australians, children and young people, people living in regional and remote areas, people with disabilities and people from culturally and linguistically diverse backgrounds. It is suggested that this be incorporated into the complaints process.
- d) Staff should be able to identify matters that may be public interest disclosures and refer them to the appropriate process, and should refer any identified misconduct and corrupt behaviour to the appropriate body. There is currently no link from the complaints process to the public interest disclosures or misconducts processes and is suggested this be included.
5. Principle: Complaints are dealt with in an equitable, objective and unbiased manner. This will help to ensure that the complaint handling process is fair and reasonable. Unreasonable complainant conduct is not allowed to become a burden.
- a) Complaint handling officers must ensure that any conflicts of interest are declared. It is suggested that information be included within the process on handling interests when dealing with complaints.
- b) Complaint Handling Officers should deal with all complaints on their merit in an equitable, objective, and unbiased manner. It is suggested that guidelines provided by the Ombudsman be included relating to procedural fairness.
- c) Complaint handling systems should have a review process in which the Complaint Handling Officer's decision is reviewed by a suitably experienced colleague/superior before the complaint is finalised. There should also be an independent internal review or appeal

Shire of Northam Regulation 17 Review



process. This is not within the current process and allows a manager to deal with a complaint from start to end. There is an option to escalate the complaint to the Chief Executive Officer if required however this does not relate to an internal review / appeal process.

6. Principle: Personal information related to complaints is kept confidential.
  - a) Appropriate records management systems are in place using access levels which ensures that the personal information of the complainant and any people who are the subject of a complaint are kept confidential and only used for the purposes of addressing the complaint and any follow up actions.
7. Principle: If a complaint is upheld, the organisation provides a remedy.
  - a) Mechanisms should exist for enabling appropriate remedies to be provided when complaints are upheld, and staff should be familiar with them. The current process does not provide information on what is to occur if the complaint is upheld.
8. Principle: There are opportunities for internal and external review and/or appeal about the organisation's response to the complaint, and the complainants are informed about these avenues.
  - a) As per 5(c) above, internal review and appeal rights should be incorporated into the complaints process.
  - b) Details of external rights of review or appeal for unresolved complaints should be made available to complainants. It is suggested that a template be developed for closing complaint which include the external rights of review.
9. Principle: Accountabilities for complaint handling are clearly established, and complaints and responses to them are monitored and reported to management and other stakeholders.
  - a) There should be clear responsibilities for handling complaints. This may include officers who are specifically assigned to deal with complaints and the names of these officers should be communicated to staff. The current process details that all managers can deal with complaints however it may be more appropriate to establish a designated complaints handling officer. This would ensure that the effective complaint handling procedures are followed, and all complaints are treated with a consistent approach.
  - b) Organisations should have a 'fit for purpose' centralised system for recording and tracking complaints along with reasons for any decisions. The current SynergySoft system is adequate for managing complaints.

Shire of Northam Regulation 17 Review



- c) Feedback is reported to the community in relation to the number of complaints received and the average number of days for dealing with them.
- d) Complaints and actual or proposed improvements to practices should form part of the organisation's internal reporting and planning process through Executive Management meetings and Strategic/Operational Plans. The Annual Delivery Plans incorporate actions to ensure that processes are reviewed in accordance with their review frequency. Complaints are also monitored through a dashboard at Executive Management Meetings.
- e) The effectiveness of the complaint handling system should be monitored, for example, through quality assurance or internal audit processes and reported to Executive Management along with recommendations for system improvements. It is suggested that the effectiveness of complaint handling be incorporated into the internal audit framework.

10. Principle: Complaints are a source of improvement for organisations.

- a) Organisations should analyse complaints data and feedback to identify recurrent themes that might identify systemic issues and use the information gathered through their complaint handling systems to identify service, process and information issues that need to be addressed. The current process allows for feedback to be placed on the process to enable continuous improvement. This currently does not extend to analysing the complaint information to identify and implement improvements.

**Action to be taken;**

1. Review the Customer Service Charter.
2. Review the Manage Complaints Process incorporating the following:
  - a) Translating services being provided where appropriate.
  - b) Special arrangements that may be required for responding to particular client groups.
  - c) Reference to the public interest disclosure and misconduct processes.
  - d) Declaring interests.
  - e) The Ombudsman's Conducting Investigations Guidelines.
  - f) The Ombudsman's Procedural Fairness Guidelines.
  - g) A review process in which the Complaint Handling Officer's decision is reviewed by a suitably experienced colleague/superior before the complaint is finalised.
  - h) An independent internal review process.
  - i) Consideration towards establishing a designated complaints handling officer.

Shire of Northam Regulation 17 Review



- j) A system for analysing complaint information to enable continuous improvement.
3. Review the information available on the Shire of Northam website incorporating the following:
- a) Providing clear information that complaints are handled at no charge.
  - b) Providing the information in the form of other languages and incorporating a "Listen" option.
4. Include the effectiveness of the complaint handling system within the internal audit framework.

**3.4 Obtaining assurance that adverse trends are identified and review management's plans to deal with these;**

Where possible statistics are tracked through measurable indicators such as;

- Building approvals, time taken
- Financial performance, financial ratios
- Customer request, time taken to resolve
- Complaints, time taken to resolve

**3.5 Reviewing management disclosures in financial reports of the effect of significant compliance issues;**

Any significant disclosures would be reviewed at Audit & Risk Management Committee level.

**3.6 Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements;**

As per 3.2 – the Governance Coordinator monitors compliance with relevant legislation via the monthly compliance report and in turn the Annual Compliance Audit Return.

**3.7 Complying with legislative and regulatory requirements imposed on audit committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest;**

Member's interests in relation to financial interests, impartiality interests and proximity interests are disclosed in accordance with section 5.65 of the Local Government Act 1995.

## 6.4 FINANCIAL MANAGEMENT REVIEW - 2022

<b>File Reference:</b>	8.2.7.4
<b>Reporting Officer:</b>	Jason Whiteaker – Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker – Chief Executive Officer
<b>Officer Declaration of Interest:</b>	n/a
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	N/a

### BRIEF

Regulation 5 (2)(c) of the Local Government (Financial Management) Regulations require the Chief Executive Officer to undertake a review of the Shire's financial management systems and procedures. In order to achieve this requirement, the Chief Executive Officer appointed Macri Partners PTY Ltd. The review was conducted for the period 1 July 2021 to 30 April 2022.

### ATTACHMENTS

Attachment 1: Update on the action plan and time frame of recommended suggestions on the Financial Management review.

## A. BACKGROUND / DETAILS

The Chief Executive Officer is responsible for implementing policies, procedures and controls which are designed to ensure the effective and efficient management of the Council's resources. In accordance with the Local Government (Financial Management) Regulations, the Chief Executive Office it to undertake a review of the appropriateness and effectiveness of the financial management systems and procedures and report the result of the review to Council at least once every three years.

The update on the progress of the recommendations of the financial management is provided as an attachment to this officer report. The update provided outlines the detailed findings, the recommendations, the current action plan and time frame for implementation of recommendation.

## B. CONSIDERATIONS

### B.1 Strategic Community / Corporate Business Plan

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

**B.2 Financial / Resource Implications**

N/A

**B.3 Legislative Compliance**

Review a requirement of Regulation 5 (2)(c) of the Local Government (Financial Management) Regulations

**B.4 Policy Implications**

N/A.

**B.5 Stakeholder Engagement / Consultation**

N/A.

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Inadequate financial systems & processes	Possible (3) X High (4) = High (12)	Implement recommendations of financial management systems and procedures review
Health & Safety	N/A		
Reputation	Inadequate financial systems & processes result in poor negative public sentiment	Possible (3) X High (4) = High (12)	Implement recommendations of financial management systems and procedures review
Service Interruption	n/a		
Compliance	Financial systems & processes not undertaken by Chief Executive Officer in line with Local Government Regulation requirements	Possible (3) X High (4) = High (12)	Enter requirement to undertake review on organisational risk register
Property	n/a		
Environment	n/a		

## **B.7 Natural Environment Considerations**

N/A

## **C. OFFICER'S COMMENT**

The below identified areas of improvement are being worked on with processes and guidelines being drafted and added in pro maps. Policies have been reviewed and drafted for council approval.

The following areas have been identified and being actioned for improvement.

1. Bank Reconciliations
2. Investment Policy
3. Purchasing of goods and services
4. Rates
5. Sundry Debtors & Receipting
6. Payroll
7. General Journals
8. Fixed assets
9. Information technology

Undertaking the independent review provides an opportunity for the financial area to be improved and further strengthened.

### **RECOMMENDATION**

#### **That Council**

- 1. Receives the Financial Management review update as presented by the Chief Executive Officer.**
- 2. Requires the Chief Executive Officer to provide an update on the progress of each of the recommended actions to every Audit & Risk committee meeting until all actions are completed.**
- 3. Enters the requirement for a financial review to be undertaken every three years in the Council organisational risk register.**

**Attachment 1 – Financial Management Review Action Plan**

**Table Legend:**

**Completed**

**No Action**

**Underway**

**Financial Management review report**

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
Finance				
<b>Bank Reconciliations-</b> Bank reconciliations not being dated by reviewer	1. The date of bank reconciliation review should be documented.	July 2022	Corporate Services /Finance	Monthly bank reconciliations are sent to Accountant for review and the accountant signs and confirms the bank rec.

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Investments-</b> Shire does not have a formally established and documented internal control procedures for Investments</p>	<ol style="list-style-type: none"> <li>1. An Investment Procedural Guideline should be drafted and adopted by the Shire that should be followed by employees to ensure control over investments and also to be compliant with S.19 of the Local Government (<i>Financial Management</i>) Regulations 1996.</li> <li>2. The Shire should also establish and <i>maintain</i> an investment register indicating the name of the financial institute, amount of the investment, term of the investment and date of maturity.</li> </ol>	<p>July 2022</p>	<p>Corporate Services Finance /</p>	<ol style="list-style-type: none"> <li>1. An investment process has been established and will be added to PROMAPPS</li> <li>2. An investment register was created and is reported monthly to council and includes the recommended information.</li> </ol>
<p><b>Investment Policy-</b> The Shire's Investment Policy has not been reviewed by the Shire in the 2021 year as required by the policy</p>	<ol style="list-style-type: none"> <li>1. The Investment Policy should be reviewed and presented to Council as required by the policy at the earliest and update the policy if required based on the investment objectives of the Shire</li> </ol>	<p>Dec 22</p>	<p>Corporate Services Finance /</p>	<ol style="list-style-type: none"> <li>1. Investment Policy Updated Pending Council Approval</li> </ol>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Investment Policy-</b>                      The Shires investment policy F4.3 requires that investments be spread to ensure that no single financial institute holds more than 50% of the Shire's investments</p>	<p>1. The Shire should look at restructuring its investments at the earliest to comply with the requirements of the investment policy and minimise its exposure to financial risks.</p>	<p>Dec 22</p>	<p>Corporate Services / Finance</p>	<p>1. Investments now meet the guidelines of the policy.</p>
<p><b>Procurement of goods and services</b>                      -the same staff issued and approved the purchase orders, receipted the goods/services, and also authorised the related supplier invoices</p>	<p>1. Management should implement appropriate segregation of duties, particularly between authorisation of purchase order and approving relevant supplier invoices.</p>		<p>Corporate Services/ Procurement</p>	<p>No Action</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<b>Procurement Policy</b> - Policy allows for minor variations , however the minor variation is not specified.	1. The procurement policy should define a minor variation		Corporate Services/ Procurement	Procurement policy updated, pending Council adoption.
	2.			
<b>Credit Cards</b> -credit card statements had no documentary evidence of review by an officer independent of the cardholder	1. The monthly credit card statements of all credit cardholders should be reviewed by a senior officer independent of the cardholder and the reviewer should initial and date the credit card statement to indicate that the review was done in a timely manner	Nov-22	Corporate Services /Finance	1. Credit cards statements being reviewed by both Senior Finance officer and the accountant. Accountant signs and dates the credit card statement

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<b>Creditors</b> -Monthly Creditor reconciliations not dated by reviewer.	1. The reviewer should indicate the date of review on the monthly creditor reconciliations	July 22	Corporate Services/ Finance/ Procurement	1. Monthly Creditor reports and reconciliations reviewed by accountant signed and dated.

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Rates</b> – rate debts outstanding for more than 3 years approximately 29% of the total rates debts outstanding.</p>	<ol style="list-style-type: none"> <li>1. The recoverability of all long outstanding rate debts should be reviewed by the management and appropriate action be taken to recover them without delay.</li> <li>2. Also the need to create a provision for doubtful debts in the annual financial report should be reviewed.</li> </ol>	<p>On going</p>	<p>Corporate Services/ Finance</p>	<ol style="list-style-type: none"> <li>1. Of the current outstanding debt \$340,000 is related to one subdivision that that was held by a now insolvent company Council lawyers are progressing with legal action against the Outstanding debt</li> <li>2. The Annual Financial Report currently has a provision for doubtful debts which includes rate debt that is expected to be written off in the next 12 months</li> </ol>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Debtors-</b> 86% of the total sundry debtors have been outstanding for more than 90 days</p>	<ol style="list-style-type: none"> <li>The recoverability of all long outstanding sundry debts should be reviewed by the management and appropriate action be taken to recover them without delay.</li> <li>Also the need to create a provision for doubtful debts in the annual financial report should be reviewed</li> </ol>	<p>ongoing</p>	<p>Corporate services/ Finance</p>	<ol style="list-style-type: none"> <li>Majority of the then reported Percentage was a capital grant from DFES which came through in June 22. debtors are reviewed monthly and the necessary follow ups are done. Accountant dates and signs of the monthly review.</li> <li>No Action-The Annual Financial Report currently has a provision for doubtful debts</li> </ol>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Creditors-</b> Retention money for goods and services paid out to supplier and the supplier set as a debtor</p>	<p>1. The management should ensure there are adequate controls in place to prevent erroneous payments to suppliers</p>	<p>July 2022</p>	<p>Corporate Services /procurement</p>	<p>1. Procedures have been put in place to ensure retentions are withheld correctly</p>
<p><b>Creditnote Requisitions-</b> Shire does not use a formal credit requisition form to raise credit notes relating to sundry debtors. Instead, credit notes are raised based on email requests from the staff requesting the credit note</p>	<p>1. The Shire should develop and use a formal credit note requisition form to be authorised by the responsible officer when a credit note needs to be raised.</p>	<p>Dec 22</p>	<p>Corporate services/ Finance</p>	<p>1. Credit note requisition form created pending approval.                  2. Credit note requisition process to be added in pro maps by Dec 22</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Cancellation of Receipts</b> - the Shire does not have a formally established and documented internal control procedure for cancellation of receipts.</p>	<p>1. The Shire should develop and use a documented internal control procedural guideline for the benefit of the relevant staff</p>	<p>Dec -22</p>	<p>Corporate services/ Finance</p>	<p>1. Receipt Cancellation procedure documents and to be added into promaps by Dec 22</p>
<p><b>Daily Receipting</b>- there was no documentary evidence of a review of the daily receipting report.</p>	<p>1. The daily receipting report should be reviewed by an officer independent of the receipting function and the evidence of such review should be documented. Any discrepancies should be investigated and rectified without delay</p>	<p>Jul 22</p>	<p>Corporate Services /Finance</p>	<p>1. Receipting batches are reviewed daily, and discrepancies are investigated at that point by the Senior Finance Officer. Senior Finance Signs and dates the batches.</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Front Counter cash register-</b> all operators of the front counter cash register use the same password</p>	<p>1. The management should seek the possibility of introducing different passwords for each operator or introducing documented procedures to minimise the risk of unauthorised or fraudulent transactions occurring.</p>	<p>Jul 22</p>	<p>Corporate Services/ Finance</p>	<p>1. Difficult to implement with the current ERP. To be resolved once we migrate to Altus</p>
<p><b>Payroll-</b> employee termination payment calculations were not evidenced as being reviewed and approved by a senior staff of the Shire.</p>	<p>1. Recommend that calculations of all termination payments are independently reviewed and the review be evidenced on the calculation sheet and it be retained.</p>	<p>July 22</p>	<p>Corporate Services/ Finance</p>	<p>1. These are currently being reviewed by both Senior Finance officer and Accountant who both sign and date the calculation sheet.</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Payroll-</b> We noted that in 3 out of 6 employee fortnightly payments we tested, there was no deduction authority in two instances and also anomalies were found in the amount deducted in one instance.</p>	<p>1. We recommend that supporting documents in respect of all deductions are retained and also care is taken to ensure that deductions are made in accordance with the deduction authority provided by the employees.</p>	<p>N/A</p>	<p>Corporate Services/ Finance</p>	<p>1. Current procedures have all deduction amounts recorded against personal files.</p>
<p><b>Payroll-</b> employee pay slips show penalty as normal hours.</p>	<p>1. We recommend that management investigates this matter and take appropriate measures to rectify the issue.</p>	<p>TBA</p>	<p>Corporate Services/ Finance</p>	<p>1. We hope the move to Altus will resolve this as efforts to get this resolved by IT vision with synergy have been fruitless.</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>General Journals</b> - the same officer prepares and posts the journal entry without an independent review by a second officer.</p>	<p>1. We recommend that a senior person independent of the preparer reviews and authorises all journal entries before they are processed and evidence of authorisation retained.</p>	<p>July</p>	<p>Corporate Services/ Finance</p>	<p>1. Journals are signed off by either the Accountant, Senior Finance Officer or Exec Manager Corporate services.</p>
<p><b>General Journals-</b> the Shire does not have a comprehensive documented policy or procedural guideline for general journals.</p>	<p>1. recommend that management develops and implements a comprehensive policy and procedures for the general journal process. The policy should be approved by the Council prior to being implemented.</p>	<p>Dec 22</p>	<p>Corporate Services/ Finance</p>	<p>1. General Journal guideline to be established and documented in pro maps</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Fixed Assets</b> - currently there is no process of formally documenting the disposal of assets i.e. <i>Asset Disposal Form</i>, and obtaining managements approval prior to disposal of individual assets.</p>	<p>1. We recommend that management introduce an Asset Disposal/Deletion form to formalise the asset disposals/deletions process, which should also be subject to appropriate authorisation.</p>	<p>Dec 22</p>	<p>Corporate Services/ Finance</p>	<p>1. Asset disposal form created and procedure to be documents and uploaded in pro maps</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>Fixed Assets Reconciliation-</b> that the monthly fixed asset reconciliations for the months of August 2021 to February 2022 have not been dated by the reviewer and the reconciliations for the months of March and April 2022 were not performed at the time of the review.</p>	<p>1. We recommend that monthly fixed asset reconciliations are performed in a timely manner and reviewed by an officer independent of the preparer and evidence of such review be documented on the reconciliation.</p>	<p>Dec -22</p>	<p>Corporate Services/ Finance</p>	<p>Fixed assets reconciled monthly by Senior Finance Officer and sent to Accountant for review. Accountant signs and dates.</p>

Finding	Recommendation / Solution	Expected completion date	Responsibility	Progress Report
<p><b>IT Security Policy</b> - the Shire does not have a formal (IT) Security Policy. Furthermore there is no formal process to review user access rights and privileges in the system to ensure they are in line with the responsibilities of individual staff member's roles/positions.</p>	<p>1. The Shire should develop a formal IT Security Policy and also ensure user access rights are periodically reviewed to ensure they are in line with individual staff roles and responsibilities.</p>		<p>Corporate Services/ICT</p>	<p>No Action</p>

## 6.5 MONTHLY COMPLIANCE REPORT

<b>File Reference:</b>	1.6.1.6
<b>Reporting Officer:</b>	Alysha McCall, Acting Governance Coordinator
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

This report provides Council with an overview of the Shire's monthly compliance activities.

### ATTACHMENTS

Attachment 1: Compliance Calendar and Creditors Checklist

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## A. BACKGROUND / DETAILS

Under the Local Government (Audit) Regulations 1996, a Local Government is required to carry out a Compliance Audit for the period 1 January to 31 December of each year. To ensure compliance and to strengthen the auditing in key areas on a more regular basis, the Shire has implemented a monthly Compliance Calendar where specific activities and statutory requirements are audited internally.

## B. CONSIDERATIONS

### B.1 Strategic Community / Corporate Business Plan

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Priority Action 12.1.4: Provide internal auditing capabilities (including providing additional human or financial resources) and publish findings annually.

### B.2 Financial / Resource Implications

N/A.

### B.3 Legislative Compliance

There is no legislative requirement to maintain a Compliance Calendar, however it is considered best practice and covers the following Regulations:

- *Local Government (Functions and General) Regulations 1996;*
- *Local Government (Administration) Regulations 1996;*
- *Local Government (Elections) Regulations 1997;*
- *Local Government (Audit) Regulations 1996;*
- *Local Government (Rules of Conduct) Regulations 2007.*

#### **B.4 Policy Implications**

Nil.

#### **B.5 Stakeholder Engagement / Consultation**

Nil.

#### **B.6 Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (consequence x likelihood)</b>	<b>Mitigation Action</b>
Financial	Ability to misuse funds.	Rare (2)x Medium (3) = Low (3)	Compliance calendar assists to ensure compliance
Health Safety	N/A		
Reputation	N/A		
Service Interruption	N/A		
Compliance	Staff not following legislative requirements	Rare (2)x Medium (3) = Low (3)	Compliance calendar assists to ensure compliance
Property	N/A		
Environment	N/A		

#### **B.7 Natural Environment Considerations**

N/A

### **C. OFFICER'S COMMENT**

The monthly Compliance Calendar is an effective tool to assist in populating the Annual Compliance Audit Return (CAR) and enhances the Shire's ability to identify and manage issues which may arise during the year, in a timely manner.

Included in the Compliance Calendar is a random audit of Creditors to ensure compliance with the Shire's purchasing policy and the requirements of the *Local Government Act 1995*

**2022 Compliance Calendar**

<b>Month</b>	<b>Item</b>	<b>% Compliance</b>	<b>Non-Compliance</b>
August	Internal Compliance Audit	82%	One Councillors Annual Return was returned 1 day late. Opening of tenders not immediately recorded in register for RFT 3 of 2022. Tender register not updated for RFT 3 of 2022. Financial statement not yet reported to Council. Both July and August financials are being presented to the September 2022 Council meeting. The BSL and BCITF payments were not made by the 10th and 14th of the following month.
	Random Creditor check	90%	One purchase order was raised after the invoice date.
September	Internal Compliance Audit	87%	Tender register not updated. A tenderer was not notified of the outcome. Crossover determinations were not added to the Delegated Authority Register. BSL and BCTF payment not made by the required date.
	Random Creditor Check	90%	One purchase order was raised after the invoice date.
October	Internal Compliance Audit	97%	An interest was not recorded in the Community Grant Assessment Committee Minutes.
	Random Creditor Check	70%	Three purchase orders were raised after the invoice date.
November	Internal Compliance Audit	94%	Delegated Authority Register was not updated for crossover approvals and multiple dog/cat applications.
	Random Creditor Check	90%	One purchase order was raised after the invoice date.

**RECOMMENDATION**

**That Council receive the update as provided in the monthly Compliance Calendar Report.**



### November 2022 Creditor Check

EFT #	Creditor	Invoice Amount	Invoice #	Invoice Date	Order #	Order Amount	Purchase Order Date	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
EFT45380	MILBRIDGE PTY LTD AS TRUSTEE FOR MX MAV TRUST	\$12,557.05	12223	5/10/2022	68057	\$42,000.00	8/09/2022	J JURMANN	YES	YES
EFT45423	CUTTING EDGES EQUIPMENT PARTS	\$3,017.52	3335240	21/10/2022	68656	\$3,017.52	20/10/2022	S LEOTTA	YES	YES
EFT45425	DCM CARPERNTRY & MAINTENANCE	\$20,119.00	1484	30/10/2022	68643	\$20,119.00	19/10/2022	D EMERY	YES	YES
EFT45456	THE FACTORY	\$4,950.00	22/16044-1	13/10/2022	68547	\$9,900.00	13/10/2022	I KEILY	YES	YES
EFT45542	TRANSWEST WA AUSTRALIAN STONE COMPANY PTY LTD	\$9,517.41	INV-3166	31/10/2022	68349	\$9,250.00	29/09/2022	S LEOTTA	YES	YES
EFT45561	BELINGARNI FABRICATION HOME AND PROPERTY SERVICES	\$5,060.00	947	10/11/2022	68552	\$5,060.00	14/10/2022	K BOASE	YES	YES
EFT45571	ENVIRAPEST PTY LTD	\$3,960.00	INV-14885	20/10/2022	68227	\$3,960.00	20/09/2022	J JURMANN	YES	YES
EFT45596	PFD FOOD SERVICES PTY LTD	\$1,504.25	LE678442	27/10/2022	68703	\$1,379.03	25/10/2022	D JUPP	YES	YES
EFT45601	SITE SKILLS TRAINING - COMPETENCY TRAINING T/AS	\$600.00	INV209642	8/11/2022	68847	\$600.00	4/11/2022	M WORTHINGTON	YES	YES
EFT45617	WHEATBELT PRECISION SERVICES - JEFFREY ROBERTS T/AS	\$839.96	INV-0070	17/10/2022	68881	\$839.96	8/11/2022	A ESPEY	YES	NO

### October 2022 Creditor Check

EFT #	Creditor	Invoice Amount	Invoice Date	Order #	Order Amount	Purchase Order Date	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
EFT45090	AVON VALLEY PLANT & EQUIPMENT PTY LTD	\$ 3,520.00	11/07/2022	67973	\$ 3,520.00	2/09/2022	C HUNT	YES	NO
EFT45134	STALLION BUILDING CO PTY LTD T/A STALLION HOMES / MULTICON COMMERCIAL CONSTRUCTIONS	\$ 67,869.00	15/09/2022	66707	\$ 67,869.00	3/06/2022	S PATTERSON	YES	YES
EFT45139	WA CONTRACT RANGER SERVICES	\$ 3,217.50	10/09/2022	68249	\$ 3,217.50	21/09/2022	J JURMANN	YES	NO
EFT45155	AKA SEATING SYSTEMS T/AS AKA EVENTS HIRE	\$ 3,960.00	6/10/2022	68346	\$ 3,960.00	29/09/2022	D EMERY	YES	YES
EFT45168	DEC CONTRACTING PTY LTD	\$ 32,065.00	19/09/2022	67895	\$ 32,065.00	29/08/2022	S PATTERSON	YES	YES
EFT45220	WHEATBELT PRECISION SERVICES - JEFFREY ROBERTS T/AS	\$ 2,614.57	19/09/2022	67626	\$ 13,352.05	9/08/2022	C HUNT	YES	YES
EFT45248	BEST CONSULTANTS PTY LTD	\$ 8,501.12	30/09/2022	67789	\$ 8,501.12	22/08/2022	D EMERY	YES	YES
EFT45304	BUDGET CASH REGISTER CO	\$ 1,045.00	6/10/2022	68474	\$ 1,045.00	10/10/2022	C GREENOUGH	YES	NO
EFT45318	G.S. BEVERIDGE & L.P. NOTTLE	\$ 3,340.00	17/10/2022	68417	\$ 3,340.00	4/10/2022	S MOORHEAD	YES	YES
EFT45324	MCDOWALL AFFLECK PTY LTD	\$ 8,800.00	30/09/2022	67397	\$ 17,050.00	26/07/2022	S PATTERSON	YES	YES

### September 2022 Creditors Check

EFT #	Creditor	Order #	Invoice Amount	Invoice Date	Order Amount	Order Date	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
EFT44794	Andy's Plumbing	67266	\$ 3,498.00	30/08/2022	\$ 3,498.00	15/07/2022	S Moorhead	Yes	Yes
EFT44821	JH Computer Services	67798	\$ 5,280.00	23/08/2022	\$ 5,280.00	23/08/2022	K Hopkins	Yes	Yes
EFT44840	Tyrecycle Pty Ltd	67532	\$ 5,439.83	31/08/2022	\$ 9,825.68	3/08/2022	J Jurmann	Yes	Yes
EFT44857	Commander Ag-Quip	66684	\$ 20,607.07	8/08/2022	\$ 20,607.07	30/07/2022	S Patterson	Yes	Yes
EFT44907	Wheatbelt Precision Services - Jeffrey Roberts T/AS	67626	\$ 2,767.69	24/08/2022	\$ 13,352.05	9/08/2022	C Hunt	Yes	Yes
EFT45018	DCM Carpentry & Maintenance	68083	\$ 6,403.10	19/09/2022	\$ 6,403.10	9/09/2022	J Jurmann	Yes	Yes
EFT45027	House of Sharday	68038	\$ 205.65	11/09/2022	\$ 205.84	7/09/2022	V Williams	Yes	Yes
EFT45028	Humes Wembley Cement	67668	\$ 4,019.88	21/09/2022	\$ 4,019.93	11/08/2022	S Patterson	Yes	Yes
EFT45038	LFA First Response	68114	\$ 2,244.00	13/09/2022	\$ 2,244.00	13/09/2022	K Hopkins	Yes	Yes
EFT45045	Northam Chamber of Commerce	68208	\$ 500.00	31/08/2022	\$ 500.00	16/09/2022	J Metcalf	Yes	No

### August 2022 Creditors Check

August Creditor report									
EFT #	Creditor	Invoice Amount	Invoice Date	Order #	Order Amount	Purchase Order Date	Signing Officer Name	Compliant with purchasing Policy & Process	Date of order prior to date of invoice
EFT44761	Quin's Gourmet Butchers	\$114.91	17/08/2022	65705	\$1,000.00	4/03/2022	N Hampton	Yes	Yes
EFT44463	Avon Valley Plant & Equipment Pty Ltd	30,409.50	31/05/2022	66500	\$30,409.50	17/05/2022	J Jurmann	Yes	Yes
EFT44469	Country Copiers	3415.50	20/07/2022	61782	\$3,415.50	4/05/2022	J Metcalf	Yes	Yes
EFT44471	DCM Carpentry & Maintenance	84920.00	29/06/2022	66619	\$84,920.00	30/05/2022	S Patterson	Yes	Yes
EFT44487	Specialised Tree Service	5,462.50	29/07/2022	66937	\$5,750.00	23/06/2022	S Leotta	Yes	Yes
EFT44515	Planning Institute of Australia	660.00	28/06/2022	67110	\$660.00	6/07/2022	J Jurmann	Yes	No
EFT44609	Jomar WA Pty Ltd	10,175.00	27/07/2022	66639	\$22,440	31/05/2022	S Patterson	Yes	Yes
EFT44639	Stass Environmental	2,420.00	15/07/2022	66226	\$2,420.00	19/04/2022	J Jurmann	Yes	Yes
EFT44641	Technology One Limited	1,078	29/07/2022	67137	\$1,078	7/07/2022	K Hopkins	Yes	Yes
EFT44694	Elite Audio Visual Productions	3,886.25	15/08/2022	67477	\$3,886	1/08/2022	M Blackhurt	Yes	Yes

## November 2022 Compliance Calendar

### NOVEMBER COMPLIANCE CALENDAR

SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS
Local Government Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59 been complied with		Monthly	No
Local Government Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old)		Annually -June	Yes
Local Government Act 1995	S5.67	CEO	Where an elected member or staff disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item		Monthly	Nil declared
Local Government Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes
Local Government Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes
Local Government Act 1995	S5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start dates'		Annually - January	Not applicable
Local Government Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Return received for George Johnson, Alex Espey and Sean Cope returns are not yet due
Local Government Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes
Local Government Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	Yes
Local Government Act 1995	S103	CEO	Is the gift register up to date on the Council website		Monthly	Yes
Local Government Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with		Monthly	Yes, one property disposed of which was exempt from 3.58 as per regulations.
Local Government Act 1995	s5.36(3) s5.37(3) Admin Reg 18A	CEO	Were advertisements for Executive Staff correctly advertised		As required	Not applicable
Local Government Act 1995	S5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date		Monthly	Nil received
Local Government Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$250k		Monthly	Yes
Local Government Act 1995	F/G Reg 16	EMCS	Receiving and opening of Public Tenders completed by two persons, details of tenders to be immediately recorded		Monthly	One tender advertised however does not close until December
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders		Monthly	One tender advertised however does not close until December
Local Government Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office		Monthly	Advertsied via VendorPanel.
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria		Monthly	RFT 04 of 2022 which closed on 30/09/2022 is currently under assessment
Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection		Monthly	Yes
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome		Monthly	RFT 04 of 2022 which closed on 30/09/2022 is currently under assessment
Local Government Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel		Monthly	Not applicable
Local Government Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel		Monthly	Not applicable
Local Government Act 1995	s2.25	Governance	Review meeting attendance - not missed 3 meetings without leave of absence		Bi-monthly	Cr Curtis has approved leave of absence

Audit & Risk Management Committee Meeting Agenda  
**16 December 2022**



	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	Nil approved
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	One closed and listed on Delegated Authority Register
	Delegation - E04	EMES	Crossover Approvals	Monthly	Delegated Authority not updated for approved crossovers
	Delegation - F02	EMCS	Disposal of Council property	Monthly	Nil disposed.
	Delegation - F04	EMCS	Inviting Tenders	Monthly	One tender advertised
	Delegation - F05	CEO	Waving of Fees	Monthly	Three fee waivers approved
	Delegation - F06	CEO	Disposing of Property by Lease or Licence	Monthly	One property disposed of by lease
	Delegation - R01	EMDS	Approval to keep more than one cat or dog	Monthly	Several applications approved in the current financial year which have not been added to the Delegated Authority Register
		EMCS	Interim Audit	Annually	Carried out from the 25 April 2022 to 29 April 2022
		EMCS	Accounts presented to Council	Monthly	Yes
		EMCS	Financial Report to Council	Monthly	Yes
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Processed on 3/11/2022
Reporting	Building and Construction Industry Training Fund and Levy Collection Regulations 1991	Building	Building Construction Training Fund Levy - Payment due by 10th day after the end of the month	Monthly	Processed on 3/11/2022

Completed by: Alysha McCall  
 Position: Acting Governance Coordinator  
 Date: 12/11/2022  
 Signed: *Alysha McCall*

## October 2022 Compliance Calendar

OCTOBER COMPLIANCE CALENDAR

SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS
Local Government Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59 been complied with		Monthly	No.
Local Government Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old		Annually - June	Yes.
Local Government Act 1995	s5.44(2)	CEO	Were all delegations by the CEO made in writing?		Monthly	Yes.
Local Government Act 1995	s3.27	CEO	Authority to undertake work on land not controlled by Council			Nil.
Local Government Act 1995	S5.67	CEO	Where an elected member disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item		Monthly	Nil declared
Local Government Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes
Local Government Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Community Grant Assessment Committee, there is a discrepancy with which item this is for. The table identifies item 11.2 however is listed before item 11.1. Raised with staff to resolve.
Local Government Act 1995	S5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start dates'		Annually - January	Yes
Local Government Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Nil new starters with delegated authority.
Local Government Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes
Local Government Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	Nil leavers in October
Local Government Act 1995	S103	CEO	Is the gift register up to date an on the Council website		Monthly	Yes, nil declared
			Is the election gift register up to date on the Council website			Not applicable
Local Government Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with		Monthly	Licence agreement entered into for Pop Up Shop. Section 3.58 not applicable as the disposal was not for exclusive use and less than 2 years as per LG Functions & General Regulation 30(2)(e). Lease for part Reserve 44700 and a portion of 44 Peel Tce were entered into and section 3.58 was complied with.
Local Government Act 1995	S6.68	EMCS	Did Council dispose of any property for non payment of rates		Monthly	No
Land Administration Act 1997	s51 & s86	CEO	Did Council dispose of any Crown Reserves or land			No
Local Government Act 1995	S5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date		Monthly	Yes, nil complaints
Local Government Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$250k		Monthly	Nil called
Local Government Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders		Monthly	Nil called

# Audit & Risk Management Committee Meeting Agenda

## 16 December 2022



Local Government Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded	Monthly	Yes, RFT 04/2022 opened
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders	Monthly	Nil accepted or rejected
Local Government Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office	Monthly	Tenders ran via VendorPanel
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria	Monthly	Not applicable, one tender under evaluation on October
Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection	Monthly	Yes
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome	Monthly	Not applicable, one tender under evaluation on October
Local Government Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	Not applicable
Local Government Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel	Monthly	Not applicable
Building Act 2011	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	Nil in October
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	Nil closed in October
	Delegation - E04	EMES	Crossover Approvals	Monthly	Nil determined in October
	Delegation - F02	EMCS	Disposal of Council property	Monthly	Yes
	Delegation - F04	EMCS	Inviting Tenders	Monthly	Nil in October
		EMCS	Interim Audit	Annually	Yes
		EMCS	Accounts presented to Council	Monthly	Yes
		EMCS	Financial Report to Council	Monthly	Yes
Local Government Act 1995	FMR 51	EMCS	Financial Report from Auditors given to DLGSC	30 days after	Not yet received from auditor
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Completed by DSSO on 01/11/2022
Reporting	Building and Construction Industry Training Fund and Levy Collection Regulations 1991	Building	Building Construction Training Fund Levy - Payment due by 10th day after the end of the month	Monthly	Completed by DSSO on 01/11/2022
<b>Completed by:</b>		Alysha McCall			
<b>Position:</b>		Acting Governance Coordinator			
<b>Date:</b>		9/11/2022			
<b>Signed:</b>					

## September 2022 Compliance Calendar

SEPTEMBER COMPLIANCE CALENDAR						
SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS
Local Government Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59		Monthly	No.
Local Government Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old)		Annually -June	Yes.
Local Government Act 1995	S5.67	CEO	Where an elected member disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item		Monthly	Nil declared.
Local Government Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes.
Local Government Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes.
Local Government Act 1995	S5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start		Annually - January	Not applicable.
Local Government Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Yes. 1 Primary return lodged by Tanya Turner.
Local Government Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes.
Local Government Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	Yes.
Local Government Act 1995	S103	CEO	Is the gift register up to date and on the Council website		Monthly	Yes.
Local Government Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with		Monthly	No. A lease was assigned however 3.58 not required as per advice from DLGSC as 3.58 complied with when originally disposed. See record I103426.
Local Government Act 1995	S5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date		Monthly	Nil received.
Local Government Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$250k		Monthly	Not applicable.
Local Government Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders		Monthly	Nil advertised in September.
Local Government Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded		Monthly	Yes however register not updated on website for RFT 04/2022.
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders		Monthly	Not applicable.
Local Government Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office		Monthly	Tender process undertaken on Vendor Panel electronically.
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria		Monthly	Evaluation still in progress for RFT 04/2022.
Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection		Monthly	Register not updated on Shire website for RFT 03/2022 and 04/2022
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome		Monthly	Tenderer not notified of outcome for RFT 03/2022 (rejected as non-compliant).
Local Government Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel		Monthly	Not applicable.
Local Government Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel		Monthly	Not applicable.
<b>Election LG ACT</b>		Governance	<b>Close Electoral Roll - 5pm (50th day)</b>		<b>s4.39(1)</b>	Not applicable.
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Last day for advertisement to be placed</b>		s4.47(1)	Not applicable.
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Nominations Open (for 8 days)</b>		s4.49(a)	Not applicable.
<b>Election LG ACT</b>	LG (election) Regulations	Governance	Candidate can withdraw until 13/9		Reg 27(5)	Not applicable.
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Nominations Closed 4pm</b>		s4.49(a)	Not applicable.
<b>Election LG ACT</b>	LG (election) Regulations	Governance	CEO to sign owners & occupiers roll	Last day WAEC prepare	s4.41(1) s4.40(2)	Not applicable.

Audit & Risk Management Committee Meeting Agenda  
**16 December 2022**



Election LG ACT	LG (election) Regulations	R/O	Give statewide notice of election	s4.64(1)	Not applicable.
Election LG ACT	LG (election) Regulations	Governance	WAEC to post Election packages to LG		Not applicable.
Election LG ACT	LG (election) Regulations	Governance	Consolidated roll to be complete	Reg 18.2(1)	Not applicable.
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	Yes. 1 Permit issued.
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	Nil closures.
	Delegation - E04	EMES	Crossover Approvals	Monthly	Approved crossovers identified which were not updated on the register.
	Delegation - F02	EMCS	Disposal of Council property	Monthly	Nil in September.
	Delegation - F05	EMCS	Inviting Tenders	Monthly	Nil advertised in September.
		EMCS	Interim Audit	Annually	Yes.
		EMCS	Accounts sent to Auditors	by 30 Sept	Yes, sent on 29/09/2022.
		EMCS	Accounts presented to Council	Monthly	Yes.
		EMCS	Financial Report to Council	Monthly	Yes.
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Not complete.
Reporting	Building and Construction Industry Training Fund and Levy Collection Regulations 1991	Building	Building Construction Training Fund Levy - Payment due by 10th day after the end of the month	Monthly	Not complete.

Completed by:

Position:

Date:

Signed:

Alysha McCall  
 Acting Governance Coordinator  
 14/10/2022

### August 2022 Compliance Calendar

AUGUST COMPLIANCE CALENDAR							
SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
Local Government Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59 been complied with		Monthly	Not applicable.	<i>Intall</i>
Local Government Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old		Annually - June	Yes.	<i>Intall</i>
Local Government Act 1995	S5.67	CEO	Where an elected member disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Not applicable.	<i>Intall</i>
Local Government Act 1995	S5.76 & S5.77	CEO	Have all Elected Member Annual Returns been lodged and acknowledged in writing		Annually - August	Yes.	<i>Intall</i>
Local Government Act 1995	S5.76 & S5.77	CEO	Have all Designated Staff Annual Returns been lodged and acknowledged in writing		Annually - August	Cr Paul Curtis annual return was returned after 31 August 2022. Return received on 1 September 2022.	<i>Intall</i>
Local Government Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S103	CEO	Is the gift register up to date an on the Council website		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all goods or services in excess of \$250k		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded		Monthly	Yes however RFT 3 of 2022 is not updated with the two staff which opened the tender.	<i>Intall</i>
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders		Monthly	Nil awarded.	<i>Intall</i>
Local Government Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office		Monthly	Tenders advertised via Vendor Panel.	<i>Intall</i>
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria		Monthly	Yes.	<i>Intall</i>
Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection		Monthly	RFT 3 of 2022 not updated.	<i>Intall</i>
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome		Monthly	Nil awarded.	<i>Intall</i>
Local Government Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel		Monthly	Not applicable.	<i>Intall</i>
Local Government Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel		Monthly	Not applicable.	<i>Intall</i>
Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Declare if the election is to be postal		Bi-annually	Not applicable.	<i>Intall</i>
Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Give Local Public notice of close of enrolments		Bi-annually	Not applicable.	<i>Intall</i>
Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Prepare Owner Occupier Roll		Bi-annually	Not applicable.	<i>Intall</i>

# Audit & Risk Management Committee Meeting Agenda

## 16 December 2022



Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Roll closes	Bi-annually	Not applicable.	<i>Itzall</i>
LG Act 1995		EMCS	Solicitor Representation letters	Annually	Yes. Waiting for 1 to be returned which has been followed up.	<i>Itzall</i>
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	Yes.	<i>Itzall</i>
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	Yes.	<i>Itzall</i>
	Delegation - E04	EMES	Crossover Approvals	Monthly	No.	<i>Itzall</i>
	Delegation - F02	EMCS	Disposal of Council property	Monthly	Yes.	<i>Itzall</i>
	Delegation - F04	EMCS	Inviting Tenders	Monthly	Yes.	<i>Itzall</i>
		EMCS	Auditor Visit	Annually	Yes.	<i>Itzall</i>
		EMCS	Accounts presented to Council	Monthly	Yes.	<i>Itzall</i>
		EMCS	Financial Report to Council	Monthly	Being presented to September 2022 meeting.	<i>Itzall</i>
		EMCS	Apply for extension for Budget?	By 31 August	Not applicable	<i>Itzall</i>
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Payment not made.	<i>Itzall</i>
Reporting	Building and Construction Industry Training Fund and Levy Collection Regulations 1991	Building	Building Construction Training Fund Levy - Payment due by 10th day after the end of the month	Monthly	Payment not made.	<i>Itzall</i>

## 6.6 RISK REGISTER

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil.
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

To provide Council with information pertaining to the organisational risk register.

### ATTACHMENTS

Attachment 1: Overdue/Non-compliant Risks.

### A. BACKGROUND / DETAILS

The Shire of Northam have an organisational wide risk register which has been developed over a period of time. Council has been advised previously that the management of risk is an area which has been under developed within the Shire of Northam and an area which was receiving a focus to ensure the Elected Council was aware of the identified risks and treatments strategies in place.

To assist in the effective management of risk the Shire of Northam are using the Promapp system, which allows for recording of organisational risks and the tracking of the associated treatment actions.

### B. CONSIDERATIONS

#### B.1 Strategic Community / Corporate Business Plan

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Action 12.1.4: Provide internal auditing capabilities (including providing additional human or financial resources) and publish findings annually.

**B.2 Financial / Resource Implications**

Council allocates \$27,000 per annum for the Promapp system. Promapp is used for process mapping, risk management and OHS management.

**B.3 Legislative Compliance**

AS/NZS ISO 31000:2009

**B.4 Policy Implications**

Council has recently endorsed policy G1.11 – Risk Management.

**B.5 Stakeholder Engagement / Consultation**

Council was involved in the development of the risk management policy and the past endorsement of the risk management plan.

**B.6 Risk Implications**

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Nil.	N/A	N/A
Health & Safety	Nil.	N/A	N/A
Reputation	Negative community perception due to lack of adequate risk management practices within the Shire of Northam	Minor(2) x Possible(3) = Moderate(6)	Per recommendation within this report
Service Interruption	Nil.	N/A	N/A
Compliance	Non-compliance of Australian Standards and legislation due to lack of risk management practices.	Minor(2) x Possible(3) = Moderate(6)	Per recommendation within this report
Property	Nil.	N/A	N/A
Environment	Nil.	N/A	N/A

**B.7 Natural Environment Considerations**

N/A

**C. OFFICER'S COMMENT**

As part of the risk management policy Council has established two main performance indicators being;

1. % of high or extreme risks without mitigation / treatment strategies in place.

Currently all high or extreme risks have mitigation/treatment strategies.

2. % of risk mitigation / treatment strategies over due  
Currently have 129 risk mitigation/treatment strategies, of which **2 are overdue (which equates to 1.55%)**.

- MC00051 - Manage Staff Training - Identify Training Needs. Ensure staff training needs are identified and met.

Comment – This was due at the end of October 2022. With the changeover of Human Resources staff it has not been signed off or finalised. Training is still occurring as required.

- MC00007 - Manage Inductions - Conduct New Employee Induction. All new employees are provided with adequate inductions.

Comment – Per above. Inductions are occurring, however a complete review of our inductions is also underway.

At the Audit & Risk Management Committee Meeting held on 2 June 2022, the Chief Executive Officer advised that the entire register would also be provided to give the Council some context on the entire register, so any perceived gaps in the register could be identified. The committee also indicated that it would like to review the entire risk register, breaking it down in small sections at future Audit & Risk Committee meetings. This review will commence at the next meeting of the Committee. The complete risk register has been provided to the committee as Attachment 2.

#### **RECOMMENDATION**

**That Council receives the December 2022 Shire of Northam Risk Register update.**

## 6.7 RISK REGISTER REVIEW

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil.
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

For the committee to review the Shire of Northam Risk Register.

### ATTACHMENTS

Attachment 1: Compliance Section Risk Register  
Attachment 2: Complete Risk Register.

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## A. BACKGROUND / DETAILS

The Shire of Northam have an organisational wide risk register which has been developed over a period of time. Council has been advised previously that the management of risk is an area which has been underdeveloped within the Shire of Northam and an area which was receiving a focus to ensure the Elected Council was aware of the identified risks and treatments strategies in place.

To assist in the effective management of risk the Shire of Northam are using the Promapp system, which allows for recording of organisational risks and the tracking of the associated treatment actions.

The Shire of Northam Risk Register is categorised into the following section, the intent is to review one section at each meeting;

1. Compliance
  - a. Legislation
  - b. Policy
2. Environmental
  - a. Built
  - b. Natural
3. Financial
  - a. Operating
  - b. Strategic

4. Health & Safety
  - a. General
  - b. Occupational
  - c. Community
5. Property
  - a. Damage
  - b. Liability
6. Reputation
  - a. Community
  - b. Industry
7. Strategic
  - a. Community
  - b. Organisational

## **B. CONSIDERATIONS**

### **B.1 Strategic Community / Corporate Business Plan**

Performance Area: Performance.

Outcome 12: Excellence in organisational performance and customer service.

Objective 12.1: Maintain a high standard of corporate governance and financial management.

Action 12.1.4: Provide internal auditing capabilities (including providing additional human or financial resources) and publish findings annually.

### **B.2 Financial / Resource Implications**

Council allocates \$27,000 per annum for the Promapp system. Promapp is used for process mapping, risk management and OHS management.

### **B.3 Legislative Compliance**

AS/NZS ISO 31000:2009

### **B.4 Policy Implications**

Council has recently endorsed policy G1.11 – Risk Management.

### **B.5 Stakeholder Engagement / Consultation**

Council was involved in the development of the risk management policy and the past endorsement of the risk management plan.

### **B.6 Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (consequence x likelihood)</b>	<b>Mitigation Action</b>
Financial	Nil.	N/A	N/A

Health & Safety	Nil.	N/A	N/A
Reputation	Negative community perception due to lack of adequate risk management practices within the Shire of Northam	Minor(2) x Possible(3) = Moderate(6)	Per recommendation within this report
Service Interruption	Nil.	N/A	N/A
Compliance	Non-compliance of Australian Standards and legislation due to lack of risk management practices.	Minor(2) x Possible(3) = Moderate(6)	Per recommendation within this report
Property	Nil.	N/A	N/A
Environment	Nil.	N/A	N/A

**B.7 Natural Environment Considerations**

N/A

**C. OFFICER'S COMMENT**

At the previous Audit & Risk Management Committee Meeting, the committee indicated that it would like to review the entire risk register, breaking it down in small sections. The entire register has been provided to give the Council some context on the entire register, so any perceived gaps in can be identified.

The following outlines the compliance risk area, the identified risks within the compliance risk sub areas of legislation and policy and the mitigation actions currently in place. More details in relation to each component are provided in appendix 1. It is worth noting that some of the sub risk areas may not appear to be in the most appropriate risk area, however under our current system mitigation actions can be assigned to multiple compliance risk areas. For example the sub risk area 'Inadequate project management – b, ii – is assigned to the risk areas of Compliance – Policy, Financial - Operational and Health & Safety – Occupational

**Compliance**

a. Legislation

i. Inadequate procurement / tender process

1. Manage Procurement - Identify need for procurement. Establish and comply with a purchasing policy.
2. Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

3. Ensure the delegated authority register is up to date for tenders and purchases through E-Quotes.
  4. Review Procurement Policy.
  - ii. Covid-19 Pandemic – State of Emergency – **No longer in use. Remains in register in the event of a further pandemic**
    1. Implementation of the Shire of Northam Business Continuity Plan
    2. Council to issue press release to community outlining initial response to Covid-19 pandemic
    3. Council to monitor cashflow – monthly
    4. Council to establish and review quarterly a Covid-19 Strategic Response
  - iii. Records Management
    1. Manage Records - File record. Process which explains how to register all records incoming and outgoing
    2. Current Records Management Plan in place
    3. Manage Document Control - Identify Document Need. Have an effective document control system in place
  - iv. Failure to fulfil statutory, regulatory or compliance requirement
    1. Audit of monthly compliance calendar
    2. Manage Inductions - Conduct New Employee Induction. All new employees are provided with adequate inductions
    3. Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.
    4. Organisational Compliance Calendar in place and reviewed by Executive Management Group
    5. Induction & Training provided to elected members
    6. Complete Annual Compliance Return (Dept Local Government)
  - v. Misconduct/Fraud
    1. Manage Inductions - Conduct New Employee Induction. All new employees are provided with adequate inductions
    2. Induction & Training provided to elected members
    3. Manage Inductions - Conduct New Employee Induction. Induction of new employees into the organisation assists in creating an expectation in terms of what is required
    4. Manage Procurement - Identify need for procurement. Process minimises opportunity for misconduct
    5. Fraud Control Plan in place (refer OAG 2019/20 Report 5 - Fraud Prevention)
- b. Policy
- i. Ineffective Management of Facilities / Venues / Events
    1. Manage Facilities & Bookings - Receive enquiry and determine which Department is responsible for administering the booking. Process for managing bookings to ensure no duplication
  - ii. Inadequate Project Management
    1. Project management framework in place, providing parameters for staff to operate within
    2. Prepare Elected Members Monthly Report - Publish Monthly Report. Major Project status reporting to Council (through monthly elected member report)
    3. Internal audit of project and major project (as defined by corporate business plan) management framework compliance.

4. Manage Major Projects - Project Performance and Control.  
Provides process for managing projects

#### **RECOMMENDATION**

**That Council:**

1. Confirms the identified organisational risk areas of compliance, environment, financial, health & safety, property, reputation & strategic
2. Confirms the 'compliance' risk register as presented with the following amendments.
  - a. Remove mitigation action 'Manage Inductions - Conduct New Employee Induction. Induction of new employees into the organisation assists in creating an expectation in terms of what is required' as it is a duplicate.
  - b. Add a mitigation action to the Compliance / Policy area which includes a framework to ensure review of all policies by Department on a biennial basis.

**Attachment 1 – Compliance Section Risk Register**



**Risk Register**

Filter: Classification(s): Compliance - Legislative, Compliance - Policy

<p>RESIDUAL  <b>7.5</b>                  MODERATE</p> <p>INHERENT  <b>25.0</b></p> <p>R00011</p>	<p>CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE, FINANCIAL - OPERATIONAL</p> <p><b>Inadequate procurement / tender process</b>                  Council fails to meet legislative obligations, Council policy and Council delegations relating to procurement resulting in departmental investigation, potential disciplinary action, poor financial outcomes and reputation damage.</p> <p>OWNER Executive Manager Corporate Services (Portfolio Manager)                  CREATED 07/05/2019 10:29:20</p> <p>LIKELIHOOD Almost Certain                  SEVERITY Extreme                  CONTROL EFFECTIVENESS Strong</p>	<p>TREATMENT MC00008</p> <p>Manage Procurement - Identify need for procurement                  Establish and comply with a purchasing policy.</p> <p>TREATMENT MC00009</p> <p>Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.</p> <p>TREATMENT MC00010</p> <p>Ensure the delegated authority register is up to date for tenders and purchases through E-Quotes.</p> <p>TREATMENT MC00112</p> <p>Review Procurement Policy.</p>	<p><b>CHANGE(S) PENDING</b></p> <p>SIGNOFF(S): Colin Young                  Kristy Hopkins                  DUE DATE: 01 May 2023                  FREQUENCY: The first Day of every 24 months</p> <p>SIGNOFF(S): Alysha McCall                  DUE DATE: 14 Jan 2023                  FREQUENCY: 14th day of every month</p> <p>SIGNOFF(S): Alysha McCall                  DUE DATE: 14 Jan 2023                  FREQUENCY: 14th day of every month</p> <p>SIGNOFF(S): Kristy Hopkins                  Colin Young                  DUE DATE: 01 Oct 2023                  FREQUENCY: 1st day of every 12 months</p>
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RESIDUAL <b>7.5</b> MODERATE	GENERAL, COMPLIANCE - LEGISLATIVE, COMPLIANCE - POLICY, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC, HEALTH & SAFETY, HEALTH & SAFETY - OCCUPATIONAL, HEALTH & SAFETY - PUBLIC, REPUTATION - COMMUNITY, REPUTATION - INDUSTRY, SERVICE INTERRUPTION, STRATEGIC - COMMUNITY, STRATEGIC - ORGANISATIONAL	TREATMENT MC00098 Implementation of the Shire of Northam Business Continuity Plan	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
	INHERENT <b>25.0</b>	<b>Covid-19 Pandemic</b> Australia & Western Australia are in a declared state of emergency as a result of the Covid-19 pandemic.	TREATMENT MC00099 Council to issue press release to community outlining initial response to Covid-19 pandemic	SIGNOFF(S): DUE DATE: FREQUENCY:
R00047	OWNER Jason Whiteaker CREATED 22/04/2020 16:26:59  LIKELIHOOD Almost Certain SEVERITY Extreme CONTROL EFFECTIVENESS Strong	TREATMENT MC00100 Council to monitor cashflow - monthly	SIGNOFF(S): DUE DATE: FREQUENCY:	Colin Young Jason Whiteaker 01 Jan 2023 The first Day of every month
		TREATMENT MC00101 Council to establish and review quarterly a Covid-19 Strategic Response	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
RESIDUAL <b>7.2</b> MODERATE	CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE, SERVICE INTERRUPTION	TREATMENT MC00023 Manage Records - File record Process which explains how to register all records incoming and outgoing	SIGNOFF(S): DUE DATE: FREQUENCY:	Colin Young Kristy Hopkins  Once
	INHERENT <b>9.0</b>	<b>Records Management</b> Important information unable to be found and legislative requirements not met as a result of inadequate records management plans and practices	TREATMENT MC00024 Current Records Management Plan in place	SIGNOFF(S): DUE DATE: FREQUENCY:
R00015	OWNER Colin Young CREATED 24/05/2019 14:58:42  LIKELIHOOD Possible SEVERITY Medium CONTROL EFFECTIVENESS Adequate	TREATMENT MC00025 Manage Document Control - Identify Document Need Have an effective document control system in place	SIGNOFF(S): DUE DATE: FREQUENCY:	Colin Young Kristy Hopkins 01 May 2023 The first Day of every 12 months

RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

R00001

CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE

**Failure to fulfil statutory, regulatory or compliance requirements**

Council is exposed to reputation damage and serious breaches due to a failure to comply with legislative and compliance requirements

OWNER Colin Young  
 CREATED 08/04/2019 14:46:49

LIKELIHOOD Almost Certain  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00002

Audit of monthly compliance calendar

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Jan 2023  
 FREQUENCY: 14th day of every month

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

**OVERDUE, CHANGE(S) PENDING**  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 09 Dec 2022  
 FREQUENCY: Fri every week

TREATMENT MC00009

Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Jan 2023  
 FREQUENCY: 14th day of every month

TREATMENT MC00058

Organisational Compliance Calendar in place and reviewed by Executive Management Group

SIGNOFF(S): Alysha McCall  
 DUE DATE: 01 Mar 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00059

Induction & Training provided to elected members

SIGNOFF(S): Alysha McCall  
 DUE DATE: 30 Nov 2023  
 FREQUENCY: The last Day of every 24 months

TREATMENT MC00060

Complete Annual Compliance Return (Dept Local Government)

SIGNOFF(S): Alysha McCall  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 12 months

RESIDUAL <b>3.6</b> LOW	MAJOR PROJECTS, COMPLIANCE - LEGISLATIVE	
	<b>Aquatic Facility - Inadequate Construction Contract</b> Aquatic Facility Project construction contract not adequate which exposes Council to contract risk through the construction phase	
INHERENT <b>12.0</b>	OWNER	Jason Whiteaker
	CREATED	14/09/2020 14:27:38
R00050	LIKELIHOOD	Possible
	SEVERITY	Major
	CONTROL EFFECTIVENESS	Strong

RESIDUAL <b>3.6</b> LOW	MAJOR PROJECTS, COMPLIANCE - LEGISLATIVE, FINANCIAL - STRATEGIC		TREATMENT MC00094	SIGNOFF(S):	Jason Whiteaker
	<b>Sale of 239 Yilgarn Avenue - Contract Requirements not satisfied</b> 239 Yilgarn Avenue sale of land does not proceed as a result of non compliance with contract requirements		The Buyer shall submit a Development Application within six calendar months of the contract date	DUE DATE:	
INHERENT <b>12.0</b>	OWNER	Jason Whiteaker		FREQUENCY:	Once
	CREATED	14/09/2020 14:31:42			
R00052	LIKELIHOOD	Possible			
	SEVERITY	Major			
	CONTROL EFFECTIVENESS	Strong			

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00034

COMMUNITY SERVICES, COMPLIANCE - POLICY, REPUTATION - COMMUNITY

**Ineffective Management of Facilities / Venues / Events**

Failure to effectively manage the day to day operations of facilities, venues and / or events. This includes;

- Inadequate procedures in place to manage the quality or availability.
- Ineffective signage
- Booking issues
- Financial interactions with hirers / users
- Oversight / provision of peripheral services (eg. cleaning / maintenance)

OWNER Jason Whiteaker

CREATED 02/07/2019 14:05:05

LIKELIHOOD Likely

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

TREATMENT MC00085

Manage Facilities & Bookings - Receive enquiry and determine which Department is responsible for administering the booking.  
 Process for managing bookings to ensure no duplication

**CHANGE(S) PENDING**

SIGNOFF(S):

David Emery

DUE DATE:

01 Sep 2023

FREQUENCY:

The first Day of every 12 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00035

CHIEF EXECUTIVES OFFICE, COMPLIANCE - LEGISLATIVE, REPUTATION - COMMUNITY, REPUTATION - INDUSTRY

**Misconduct/Fraud**

Intentional activities (including fraud) in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority. This would include instances of:

- Relevant authorisations not obtained.
- Distributing confidential information.
- Accessing systems and / or applications without correct authority to do so.
- Misrepresenting data in reports.
- Theft by an employee
- Collusion between Internal & External parties

This does not include instances where it was not an intentional breach - refer Errors, Omissions or delays in transaction processing, or Inaccurate Advice.

OWNER Jason Whiteaker  
 CREATED 02/07/2019 14:09:25

LIKELIHOOD Possible  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

TREATMENT MC00059

Induction & Training provided to elected members

TREATMENT MC00086

Manage Inductions - Conduct New Employee Induction  
 Induction of new employees into the organisation assists in creating an expectation in terms of what is required

TREATMENT MC00087

Manage Procurement - Identify need for procurement  
 Process minimises opportunity for misconduct

TREATMENT MC00102

Fraud Control Plan in place (refer OAG 2019/20 Report 5 - Fraud Prevention)

**OVERDUE, CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 09 Dec 2022

FREQUENCY: Fri every week

SIGNOFF(S): Alysha McCall

DUE DATE: 30 Nov 2023

FREQUENCY: The last Day of every 24 months

**CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 01 Sep 2023

FREQUENCY: The first Day of every 12 months

SIGNOFF(S): Colin Young  
 Kristy Hopkins

DUE DATE: 01 Oct 2023

FREQUENCY: The first Day of every 12 months

SIGNOFF(S): Tamika Van Beek  
 Colin Young

DUE DATE: 28 Feb 2023

FREQUENCY: The last Day of every 24 months

RESIDUAL  
**2.7**  
 LOW

INHERENT  
**9.0**

R00024

CHIEF EXECUTIVES OFFICE, COMPLIANCE - POLICY, FINANCIAL - OPERATIONAL, HEALTH & SAFETY - OCCUPATIONAL

**Inadequate Project Management**

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time requirements or scope changes. This includes:

- Inadequate Change Management Framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.

OWNER Jason Whiteaker

CREATED 01/07/2019 15:20:45

LIKELIHOOD Possible

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

TREATMENT MC00053

Project management framework in place, providing parameters for staff to operate within

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 Jul 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00054

Prepare Elected Members Monthly Report - Publish Monthly Report  
 Major Project status reporting to Council (through monthly elected member report)

**CHANGE(S) PENDING**  
 SIGNOFF(S): Tamika Van Beek  
 DUE DATE: 15 Dec 2022  
 FREQUENCY: 15th day of every month

TREATMENT MC00055

Internal audit of project and major project (as defined by corporate business plan) management framework compliance.

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 May 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00057

Manage Major Projects - Project Performance and Control  
 Provides process for managing projects

**CHANGE(S) PENDING**  
 SIGNOFF(S): Neville Binning  
 Scott Patterson  
 Jason Whiteaker  
 DUE DATE: 30 Sep 2023  
 FREQUENCY: The last Day of every 12 months

**Attachment 2 – Complete Risk Register**

**Risk Register**



<b>RESIDUAL</b> <b>9.6</b> HIGH <hr/> <b>INHERENT</b> <b>12.0</b> R00023	CORPORATE SERVICES, SERVICE INTERRUPTION <b>Failure of IT &amp;/or Communications Systems and Infrastructure</b> Instability, degradation of performance, or other failure of IT Systems, Infrastructure, Communication or Utility causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked. Examples include failures or disruptions caused by: <ul style="list-style-type: none"> <li>• Hardware &amp;/or Software</li> <li>• IT Network</li> <li>• Failures of IT Vendors</li> </ul> This also includes where poor governance results in the breakdown of IT maintenance such as; <ul style="list-style-type: none"> <li>• Configuration management</li> <li>• Performance Monitoring</li> <li>• IT Incident, Problem Management &amp; Disaster Recovery Processes</li> </ul> This does not include new system implementations - refer "Inadequate Project / Change Management". OWNER Colin Young CREATED 01/07/2019 14:58:09 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Adequate	TREATMENT MC00047 Data Back-up Systems in place and documented  TREATMENT MC00048 Disaster Recovery Plan in place	SIGNOFF(S): Colin Young DUE DATE: 30 Sep 2023 FREQUENCY: The last Day of every 12 months  SIGNOFF(S): Colin Young DUE DATE: 01 Sep 2023 FREQUENCY: The first Day of every 12 months
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<b>RESIDUAL</b> <b>9.6</b> HIGH	AMP - BUILDINGS, SERVICE INTERRUPTION <b>AM Service Levels not met</b> Asset Management Plan identifies need to establish and monitor a range of service levels to ensure Council and community expectations are met	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young
	<b>INHERENT</b> <b>12.0</b>	OWNER Shane Moorhead CREATED 16/07/2019 11:24:02 LIKELIHOOD Likely SEVERITY Medium CONTROL EFFECTIVENESS Adequate	DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months
R00040			

<b>RESIDUAL</b> <b>9.6</b> HIGH	ENGINEERING SERVICES, FINANCIAL - OPERATIONAL, HEALTH & SAFETY - PUBLIC, REPUTATION - COMMUNITY <b>Inadequate Cleaning of Shire Facilities</b> Shire buildings and public amenities not regularly cleaned to and acceptable standard causing the following issues: - not regularly cleaned/sanitised, there is a chance of making people sick - not cleaned, community and visitors not satisfied Shire buildings and amenities may not be able to open to public or operate if not cleaned appropriately Paying too much for cleaning services is also a financial risk.	TREATMENT MC00109 Manage public tenders (RFT) for purchases over \$250,000 Excl. GST - Prepare Tender Conduct a public tender as per the Manage Tenders Process and in line with the Shire's Procurement Policy F4.2	<b>CHANGE(S) PENDING</b> SIGNOFF(S): Colin Young Kristy Hopkins
	<b>INHERENT</b> <b>12.0</b>	OWNER Shane Moorhead CREATED 02/12/2020 11:11:13 LIKELIHOOD Likely SEVERITY Medium CONTROL EFFECTIVENESS Adequate	TREATMENT MC00110 Have a contract in place for regular cleaning schedule in place in accordance with best cleaning practices Monthly inspection of toilets to be undertaken by Council staff
R00055			

RESIDUAL  
**7.5**  
 MODERATE

INHERENT  
**25.0**

R00047

GENERAL, COMPLIANCE - LEGISLATIVE, COMPLIANCE - POLICY, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC, HEALTH & SAFETY, HEALTH & SAFETY - OCCUPATIONAL, HEALTH & SAFETY - PUBLIC, REPUTATION - COMMUNITY, REPUTATION - INDUSTRY, SERVICE INTERRUPTION, STRATEGIC - COMMUNITY, STRATEGIC - ORGANISATIONAL

**Covid-19 Pandemic**

Australia & Western Australia are in a declared state of emergency as a result of the Covid-19 pandemic.

OWNER Jason Whiteaker  
 CREATED 22/04/2020 16:26:59

LIKELIHOOD Almost Certain  
 SEVERITY Extreme  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00098

Implementation of the Shire of Northam Business Continuity Plan

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

TREATMENT MC00099

Council to issue press release to community outlining initial response to Covid-19 pandemic

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

TREATMENT MC00100

Council to monitor cashflow - monthly

SIGNOFF(S): Colin Young  
 Jason Whiteaker

DUE DATE: 01 Jan 2023

FREQUENCY: The first Day of every month

TREATMENT MC00101

Council to establish and review quarterly a Covid-19 Strategic Response

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

RESIDUAL <b>7.5</b> MODERATE <hr/> INHERENT <b>25.0</b> R00004	CORPORATE SERVICES, STRATEGIC - ORGANISATIONAL <b>Inadequate Insurance</b> Organisation is exposed to financial loss due to failure to renew public indemnity insurance or renew it with adequate cover	TREATMENT MC00061 Insurance coverage reviewed internally prior to presenting to Chief Executive Officer for sign off	SIGNOFF(S): Colin Young DUE DATE: 01 Jul 2023 FREQUENCY: The first Day of every 12 months
	OWNER Colin Young CREATED 06/05/2019 13:42:09 LIKELIHOOD Almost Certain SEVERITY Extreme CONTROL EFFECTIVENESS Strong	TREATMENT MC00062 Insurance coverage assessed independently for adequacy	SIGNOFF(S): Colin Young DUE DATE: 01 May 2024 FREQUENCY: The first Day of every 48 months
		TREATMENT MC00097 Review of past 5 year Insurance performance (comparing premium contributions against claims). May result in assessing a range of factors including current level of cover, excesses and structure of workers compensation premium for example:  -Retention (deductible and excess) Review – assess what amount the Shire is able to retain for each applicable policy (please note LGIS Workers Compensation and Public Liability policies have Nil excess)  -Explore the options of moving from a fixed based Workers Compensation policy to Performance based policy. Whilst this could reduce up-front costs, poor performance does impact overall costs, due to a higher maximum rate.  -Overall Property Asset review – item by item, identify what the Shire would replace and what would not be replaced and amend sums insured accordingly. For example no intention of replacing an asset in the event of a total loss, you can choose to reduce the sum insured to an indemnity basis rather than re-in statement. Partial losses will need to be a consideration in this exercise.  -Policy Limits review against maximum fore see able losses. (this can be undertaken on the Brokered policies outside of the mutual policies).	SIGNOFF(S): Colin Young Jason Whiteaker DUE DATE: 31 May 2024 FREQUENCY: The last Day of every 36 months

RESIDUAL <b>7.5</b> MODERATE	CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE, FINANCIAL - OPERATIONAL <b>Inadequate procurement / tender process</b> Council fails to meet legislative obligations, Council policy and Council delegations relating to procurement resulting in departmental investigation, potential disciplinary action, poor financial outcomes and reputation damage.	TREATMENT MC00008 Manage Procurement - Identify need for procurement Establish and comply with a purchasing policy.	<b>CHANGE(S) PENDING</b> SIGNOFF(S): Colin Young Kristy Hopkins DUE DATE: 01 May 2023 FREQUENCY: The first Day of every 24 months
		TREATMENT MC00009 Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.	SIGNOFF(S): Alysha McCall DUE DATE: 14 Jan 2023 FREQUENCY: 14th day of every month
INHERENT <b>25.0</b>	OWNER Executive Manager Corporate Services (Portfolio Manager) CREATED 07/05/2019 10:29:20 LIKELIHOOD Almost Certain SEVERITY Extreme CONTROL EFFECTIVENESS Strong	TREATMENT MC00010 Ensure the delegated authority register is up to date for tenders and purchases through E-Quotes.	SIGNOFF(S): Alysha McCall DUE DATE: 14 Jan 2023 FREQUENCY: 14th day of every month
		TREATMENT MC00112 Review Procurement Policy.	SIGNOFF(S): Kristy Hopkins Colin Young DUE DATE: 01 Oct 2023 FREQUENCY: 1st day of every 12 months
RESIDUAL <b>7.2</b> MODERATE	CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE, SERVICE INTERRUPTION <b>Records Management</b> Important information unable to be found and legislative requirements not met as a result of inadequate records management plans and practices	TREATMENT MC00023 Manage Records - File record Process which explains how to register all records incoming and outgoing	SIGNOFF(S): Colin Young Kristy Hopkins DUE DATE: FREQUENCY: Once
		TREATMENT MC00024 Current Records Management Plan in place	SIGNOFF(S): Alysha McCall Colin Young DUE DATE: 01 May 2024 FREQUENCY: The first Day of every 48 months
INHERENT <b>9.0</b>	OWNER Colin Young CREATED 24/05/2019 14:58:42 LIKELIHOOD Possible SEVERITY Medium CONTROL EFFECTIVENESS Adequate	TREATMENT MC00025 Manage Document Control - Identify Document Need Have an effective document control system in place	SIGNOFF(S): Colin Young Kristy Hopkins DUE DATE: 01 May 2023 FREQUENCY: The first Day of every 12 months

RESIDUAL <b>7.2</b> MODERATE	CHIEF EXECUTIVES OFFICE, REPUTATION - COMMUNITY <b>Inadequate engagement with Community / Stakeholders / Elected Members</b> Failure to maintain effective working relationships with the Community (including Local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This invariably includes activities where communication, feedback and / or consultation is required and where it is in the best interests to do so.	TREATMENT MC00032 Current Community Engagement Plan in Place	SIGNOFF(S): Jason Whiteaker DUE DATE: 01 Jan 2029 FREQUENCY: The first Day of every 112 months
	INHERENT <b>9.0</b>	OWNER Jason Whiteaker CREATED 19/06/2019 09:07:22 LIKELIHOOD Possible SEVERITY Medium CONTROL EFFECTIVENESS Adequate	TREATMENT MC00033 Biennial Customer Satisfaction & Community Needs Survey
R00018			

RESIDUAL <b>7.2</b> MODERATE	DEVELOPMENT SERVICES, ENVIRONMENTAL - NATURAL <b>Inadequate environmental management</b> nadequate prevention, identification, enforcement and management of environmental issues. The scope includes;	TREATMENT MC00081 Up to Date and endorsed Strategic Waster Management Plan	SIGNOFF(S): Jacky Jurmann DUE DATE: 31 Aug 2023 FREQUENCY: The last Day of every 12 months
	INHERENT <b>9.0</b>	• Contaminated sites. / Coastal issues • Waste facilities (landfill / transfer stations). / Groundwater • Weed control. / Water Quality • Illegal dumping. • Illegal clearing / land use.	TREATMENT MC00082 Have climate change policy in place
R00019	OWNER Carmen Sadleir CREATED 01/07/2019 14:28:54 LIKELIHOOD Possible SEVERITY Medium CONTROL EFFECTIVENESS Adequate		SIGNOFF(S): Jennifer Abbott Jacky Jurmann DUE DATE: 01 Mar 2024 FREQUENCY: The first Day of every 24 months

RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

R00021

CORPORATE SERVICES, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC

**Inadequate Financial, Accounting or Business Acumen**

Inadequate identification or quantification of financial exposure or risk associated with decisions to invest in land transactions, financial derivatives or investments or poor long term forecasting / assumptions. Examples include;

- Poor credit management (short or long term borrowing restricting capacity or flexibility).
- Ineffective market analysis (over or under estimating).
- Ineffective Business Planning (poor scope / competition analysis).
- Ineffective financial modelling, forecasting and projection techniques / processes.

OWNER Colin Young  
 CREATED 01/07/2019 14:34:50

LIKELIHOOD Likely  
 SEVERITY Extreme  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00034

Long Term Financial Plan in Place

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00035

Annual Budget adopted and aligned with long term financial plan

SIGNOFF(S): Colin Young  
 DUE DATE: 31 Jul 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00036

Investment strategy / policy in place

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00037

Manage Debtors - Identify Debtor Process to manage general debtors

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00038

Arrange payment plans for Rates - Setup payment arrangement with Rate payer Process which ensures rate debts are collected / managed effectively

SIGNOFF(S): Colin Young  
 Anastasia Williams  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00039

Develop Annual Budgets - Send Email Ensure budget process is managed effectively

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00040

Manage Rates Recovery - Confirm rates outstanding Manage recovery of rated

**CHANGE(S) PENDING**  
 SIGNOFF(S): Anastasia Williams  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00114

Undertake a financial review every 3 years

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jan 2025  
 FREQUENCY: The first Day of every 36 months

RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

R00032

DEVELOPMENT SERVICES, HEALTH & SAFETY

**Inadequate Organisation and Community Emergency Management**

Failure to adequately conduct Prevention, Preparation, Response and Recovery (PPRR) in the organisation structure and community elements, inclusive of the management of all emergencies. This includes;

- Lack of (or inadequate) emergency response plans.
- Lack of training to specific individuals or availability of appropriate emergency response.
- Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
- Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

(References: AS 3745; AS 1851; AIIMS 4 Management Principles)

OWNER Jacky Jurmann  
 CREATED 02/07/2019 13:42:30

LIKELIHOOD Likely  
 SEVERITY Extreme  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00077

Functioning Local Emergency Management Committee, which meets quarterly

SIGNOFF(S): Alex Espey  
 Jacky Jurmann  
 DUE DATE: 31 Jan 2023  
 FREQUENCY: The last Day of every 3 months

TREATMENT MC00078

Conduct at least 1 Emergency Management training exercise per year

SIGNOFF(S): Alex Espey  
 Jacky Jurmann  
 DUE DATE: 30 Sep 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00079

Conduct Inductions for Bush Fire Brigade Volunteer Members Annually

SIGNOFF(S): Alex Espey  
 Jacky Jurmann  
 DUE DATE: 01 Oct 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00080

Review Risk to Resources Document

SIGNOFF(S): Alex Espey  
 Jacky Jurmann  
 DUE DATE: 30 Sep 2023  
 FREQUENCY: The last Day of every 24 months

RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

R00001

CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE

**Failure to fulfil statutory, regulatory or compliance requirements**

Council is exposed to reputation damage and serious breaches due to a failure to comply with legislative and compliance requirements

OWNER Colin Young  
 CREATED 08/04/2019 14:46:49

LIKELIHOOD Almost Certain  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00002

Audit of monthly compliance calendar

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Jan 2023  
 FREQUENCY: 14th day of every month

TREATMENT MC00007

**Manage Inductions - Conduct New Employee Induction**  
 All new employees are provided with adequate inductions

**OVERDUE, CHANGE(S) PENDING**  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 09 Dec 2022  
 FREQUENCY: Fri every week

TREATMENT MC00009

Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Jan 2023  
 FREQUENCY: 14th day of every month

TREATMENT MC00058

Organisational Compliance Calendar in place and reviewed by Executive Management Group

SIGNOFF(S): Alysha McCall  
 DUE DATE: 01 Mar 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00059

Induction & Training provided to elected members

SIGNOFF(S): Alysha McCall  
 DUE DATE: 30 Nov 2023  
 FREQUENCY: The last Day of every 24 months

TREATMENT MC00060

Complete Annual Compliance Return (Dept Local Government)

SIGNOFF(S): Alysha McCall  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 12 months

RESIDUAL  
**4.8**  
 MODERATE

INHERENT  
**16.0**

R00008

CHIEF EXECUTIVES OFFICE, REPUTATION - COMMUNITY

**Not meeting community expectations**

Community service expectations are not as a result of a failure to provide expected levels of service, events and benefit to the community. This includes where precedents have set Community perceptions or where services are generally expected.

OWNER Jason Whiteaker  
 CREATED 06/05/2019 13:56:25

LIKELIHOOD Likely  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00004

Review Corporate Business Plan annually to ensure reflects strategic community plan

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 30 Jun 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00012

Undertake community surveying every two years focusing on community perception of service delivery

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 Aug 2023  
 FREQUENCY: The last Day of every 24 months

TREATMENT MC00013

Manage Customer Requests - Receive Request Ensuring that the organisation captures and responds appropriately to community and internal requests for works or services

**CHANGE(S) PENDING**  
 SIGNOFF(S): Jason Whiteaker  
 Alysha McCall  
 DUE DATE:  
 FREQUENCY: Once

RESIDUAL  
**4.8**  
 MODERATE

INHERENT  
**16.0**

R00013

CORPORATE SERVICES, ENGINEERING SERVICES, ENVIRONMENTAL - BUILT, FINANCIAL - STRATEGIC, SERVICE INTERRUPTION

**Inadequate Asset Management Practices**

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet assets in addition to community use based assets including playgrounds, boat ramps and other maintenance based assets. Areas included in the scope are;

- Inadequate design (not fit for purpose).
- Ineffective usage (down time)
- Outputs not meeting expectations
- Inadequate maintenance activities.
- Inadequate or unsafe modifications.

It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.

OWNER Jason Whiteaker  
 CREATED 24/05/2019 14:29:02

LIKELIHOOD Likely  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00018

Up to date and accurate transport management plan in place

SIGNOFF(S): Scott Patterson  
 Colin Young  
 DUE DATE: 01 Feb 2023  
 FREQUENCY: The first Day of every 24 months

TREATMENT MC00019

Up to date and accurate building asset management plan in place

SIGNOFF(S): Scott Patterson  
 Colin Young  
 DUE DATE: 01 Jun 2023  
 FREQUENCY: The first Day of every 24 months

TREATMENT MC00020

Up to date and accurate parks & reserves asset management plan in place

SIGNOFF(S): Scott Patterson  
 Colin Young  
 DUE DATE: 01 Sep 2023  
 FREQUENCY: The first Day of every 24 months

TREATMENT MC00021

Long Term Financial Plan aligned to asset management plans

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Dec 2023  
 FREQUENCY: The first Day of every 12 months

RESIDUAL  
**4.8**  
 MODERATE

INHERENT  
**16.0**

R00022

CHIEF EXECUTIVES OFFICE, HEALTH & SAFETY - OCCUPATIONAL

**Inadequate safety and security practices**

Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are:

- Inadequate Policy, Frameworks, Systems and Structure to prevent the injury of visitors, staff, contractors and/or tenants.
- Inadequate Organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc).
- Inadequate security protection measures in place for buildings, depots and other places of work (vehicle, community etc).
- Public Liability Claims, due to negligence or personal injury.
- Employee Liability Claims due to negligence or personal injury.
- Inadequate or unsafe modifications to plant & equipment

OWNER Jason Whiteaker

CREATED 01/07/2019 14:46:30

LIKELIHOOD Likely

SEVERITY Major

CONTROL EFFECTIVENESS Strong

TREATMENT MC00041

Undertake OHS Audit

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

01 Sep 2023

FREQUENCY:

The first Day of every 24 months

TREATMENT MC00042

Implement recommendations from OHS Audit & Report to Audit & Risk Committee

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

31 Jan 2023

FREQUENCY:

The last Day of every 4 months

TREATMENT MC00043

OHS Committee Meeting Regularly

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

31 Dec 2022

FREQUENCY:

The last Day of every 3 months

TREATMENT MC00044

Toolbox meetings occurring and discussing safety (attach minutes/notes to sign off)

SIGNOFF(S):

Scott Patterson

DUE DATE:

31 Dec 2022

FREQUENCY:

The last Day of every month

TREATMENT MC00045

Senior Management Meeting (where the OSH system is reviewed and KPI's are measured as an agenda item)

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

31 Mar 2023

FREQUENCY:

The last Day of every 6 months

TREATMENT MC00046

OHS Policy Framework in place and reviewed

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

31 Aug 2023

FREQUENCY:

The last Day of every 12 months

TREATMENT MC00095

Undertake Workplace Safety Inspections - Undertake Inspection OSH inspections undertaken for each site.

**CHANGE(S) PENDING**

SIGNOFF(S):

Colin Young  
 Scott Patterson  
 Jo Metcalf

DUE DATE:

31 Dec 2022

FREQUENCY:

The last Day of every month

<p>RESIDUAL  <b>4.8</b>                      MODERATE</p> <p>INHERENT  <b>16.0</b></p>	<p>CORPORATE SERVICES, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC</p> <p><b>External Theft &amp; Fraud (inc. Cyber Crime)</b>                      Loss of funds, assets, data or unauthorised access, (whether attempts or successful) by external parties, through any means (including electronic), for the purposes of;</p> <ul style="list-style-type: none"> <li>• Fraud – benefit or gain by deceit</li> <li>• Malicious Damage – hacking, deleting, breaking or reducing the integrity or performance of systems</li> <li>• Theft – stealing of data, assets or information (no deceit)</li> </ul> <p>OWNER Colin Young                      CREATED 01/07/2019 14:32:52</p> <p>LIKELIHOOD Likely                      SEVERITY Major                      CONTROL EFFECTIVENESS Strong</p>	<p>TREATMENT MC00111                      Fraud and Corruption Control Plan in place</p>	<p>SIGNOFF(S): Colin Young                      DUE DATE:                      FREQUENCY: Once</p>
<p>RESIDUAL  <b>4.8</b>                      MODERATE</p> <p>INHERENT  <b>16.0</b></p>	<p>ENGINEERING SERVICES, HEALTH &amp; SAFETY - PUBLIC</p> <p><b>Unsafe Playground equipment</b>                      Shire playgrounds are not to a an acceptable standard causing the following issues:</p> <ul style="list-style-type: none"> <li>- Play Equipment is unsafe, there is a chance of injuring users</li> <li>- Play Equipment may not be open to public if it is unsafe and require repairs</li> <li>- Community and visitors unsatisfied</li> </ul> <p>OWNER Scott Patterson                      CREATED 05/07/2022 16:11:10</p> <p>LIKELIHOOD Likely                      SEVERITY Major                      CONTROL EFFECTIVENESS Strong</p>	<p>TREATMENT MC00113                      Regular playground inspections to be completed on a monthly basis.</p>	<p>SIGNOFF(S): Keith Boase                      Neville Binning                      Scott Patterson                      Scott Patterson                      Keith Boase</p> <p>DUE DATE: 31 Dec 2022                      FREQUENCY: The last Day of every month</p>

RESIDUAL <b>4.8</b> MODERATE	AMP - BUILDINGS, FINANCIAL - STRATEGIC	TREATMENT MC00089 Project evaluation procedure in place and utilised	SIGNOFF(S): DUE DATE: FREQUENCY:	Scott Patterson 01 Apr 2024 The first Day of every 24 months
	<b>16.0</b> INHERENT	<b>Capital projects can not be prioritised against the strategic community plan</b> Council is unable to assess projects and make determinations around priorities, based on any framework or decision criteria.		
R00043	OWNER Jason Whiteaker CREATED 16/07/2019 11:33:15 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong			

RESIDUAL <b>4.8</b> MODERATE	AMP - TRANSPORT, ENVIRONMENTAL - BUILT	TREATMENT MC00089 Project evaluation procedure in place and utilised	SIGNOFF(S): DUE DATE: FREQUENCY:	Scott Patterson 01 Apr 2024 The first Day of every 24 months
	<b>16.0</b> INHERENT	<b>Lack of capital project evaluation procedure</b> Shire does not have a capital project evaluation procedure aligned to the Community Strategic Plan		
R00039	OWNER Jason Whiteaker CREATED 15/07/2019 16:54:13 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong			

RESIDUAL <b>4.8</b> MODERATE	AMP - TRANSPORT, HEALTH & SAFETY <b>Transport Assets not routinely inspected</b> No formal safety & maintenance inspection procedures exist	TREATMENT MC00088 Transport Assets to be routinely inspected every 3 years (includes sealed and unsealed roads, kerbs and table drains. Excludes footpaths and piped drainage network)	SIGNOFF(S): Michael Newton Scott Patterson
	OWNER Michael Newton CREATED 15/07/2019 16:35:25 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00096 Safety inspections carried out in response to Customer Service Requests by members of the public and Shire staff.	SIGNOFF(S): Michael Newton Scott Patterson DUE DATE: 28 Feb 2023 FREQUENCY: The last Day of every 3 months
INHERENT <b>16.0</b>			
R00036			
<hr/>			
RESIDUAL <b>4.5</b> MODERATE	DEVELOPMENT SERVICES, HEALTH & SAFETY - PUBLIC <b>Inadequate Organisation and Community Emergency Management</b> Failure to adequately conduct Prevention, Preparation, Response and Recovery (PPRR) in the organisation structure and community elements, inclusive of the management of all emergencies. This includes;	TREATMENT MC00027 Establishment of a 'functional' Local Emergency Management Committee, which meets six monthly	SIGNOFF(S): Alex Espy
	(References: AS 3745; AS 1851; AIIMS 4 Management Principles) OWNER Jacky Jurmann CREATED 19/06/2019 08:51:12 LIKELIHOOD Possible SEVERITY Extreme CONTROL EFFECTIVENESS Strong	TREATMENT MC00028 Current Local Emergency Management Arrangements & Recovery Plan	SIGNOFF(S): Alex Espy Jacky Jurmann DUE DATE: 01 Nov 2024 FREQUENCY: The first Day of every 24 months
INHERENT <b>15.0</b>	<ul style="list-style-type: none"> <li>· Lack of (or inadequate) emergency response plans.</li> <li>· Lack of training to specific individuals or availability of appropriate emergency response.</li> <li>· Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.</li> <li>· Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc</li> </ul>	TREATMENT MC00029 Run annual emergency management exercise	SIGNOFF(S): Alex Espy Jacky Jurmann DUE DATE: 01 Nov 2023 FREQUENCY: The first Day of every 12 months
	R00017	TREATMENT MC00030 Bush fire Risk Management Plan in Place	SIGNOFF(S): Alex Espy Jacky Jurmann DUE DATE: 01 Sep 2023 FREQUENCY: The first Day of every 12 months
		TREATMENT MC00031 Fuel Loads risk register in place	SIGNOFF(S): Alex Espy Jacky Jurmann DUE DATE: 30 Sep 2023 FREQUENCY: The last Day of every 12 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00002

CHIEF EXECUTIVES OFFICE, STRATEGIC - ORGANISATIONAL

**Inappropriate Organisational Structure**

Unable to achieve organisational objectives as the Organisation is not structured appropriately

OWNER Jason Whiteaker

CREATED 09/04/2019 11:32:51

LIKELIHOOD Likely

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

TREATMENT MC00003

Review Strategic Community Plan every two years (desktop) and four years (major). Reviews to coincide with new Council being elected

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

31 Dec 2023

FREQUENCY:

The last Day of every 24 months

TREATMENT MC00004

Review Corporate Business Plan annually to ensure reflects strategic community plan

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

30 Jun 2023

FREQUENCY:

The last Day of every 12 months

TREATMENT MC00005

Review Human Resource Plan to ensure it is reflective of strategic community plan

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

31 May 2023

FREQUENCY:

The last Day of every 12 months

TREATMENT MC00006

Corporate Business Plan clearly articulates how organisational objectives will be achieved

SIGNOFF(S):

Jason Whiteaker

DUE DATE:

30 Jun 2023

FREQUENCY:

The last Day of every 12 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00033

GENERAL, REPUTATION - COMMUNITY

**Errors, Omissions & Delays**

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process or potentially inadequate resources. This includes instances of;

- Human errors, incorrect or incomplete processing
- Inaccurate recording, maintenance, testing and / or reconciliation of data.
- Errors or inadequacies in model methodology, design, calculation or implementation of models.

This may result in incomplete or inaccurate information. Consequences include;

- Inaccurate data being used for management decision making and reporting.
- Delays in service to customers
- Inaccurate data provided to customers

This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes".

OWNER Jason Whiteaker  
 CREATED 02/07/2019 13:56:01

LIKELIHOOD Likely  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00002

Audit of monthly compliance calendar

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Jan 2023  
 FREQUENCY: 14th day of every month

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

**OVERDUE, CHANGE(S) PENDING**  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 09 Dec 2022  
 FREQUENCY: Fri every week

TREATMENT MC00009

Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Jan 2023  
 FREQUENCY: 14th day of every month

TREATMENT MC00083

Manage Inductions - Conduct New Employee Induction  
 Ensure staff are inducted into the organisation

**CHANGE(S) PENDING**  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 01 Oct 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00084

Have critical processes mapped to assist staff eliminate errors, omissions and delays (wastage)

SIGNOFF(S): Alysha McCall  
 DUE DATE: 01 Dec 2023  
 FREQUENCY: The first Day of every 12 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00034

COMMUNITY SERVICES, COMPLIANCE - POLICY, REPUTATION - COMMUNITY

**Ineffective Management of Facilities / Venues / Events**

Failure to effectively manage the day to day operations of facilities, venues and / or events. This includes;

- Inadequate procedures in place to manage the quality or availability.
- Ineffective signage
- Booking issues
- Financial interactions with hirers / users
- Oversight / provision of peripheral services (eg. cleaning / maintenance)

OWNER Jason Whiteaker

CREATED 02/07/2019 14:05:05

LIKELIHOOD Likely

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

TREATMENT MC00085

Manage Facilities & Bookings - Receive enquiry and determine which Department is responsible for administering the booking.  
 Process for managing bookings to ensure no duplication

**CHANGE(S) PENDING**

SIGNOFF(S): David Emery

DUE DATE: 01 Sep 2023

FREQUENCY: The first Day of every 12 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00035

CHIEF EXECUTIVES OFFICE, COMPLIANCE - LEGISLATIVE, REPUTATION - COMMUNITY, REPUTATION - INDUSTRY

**Misconduct/Fraud**

Intentional activities (including fraud) in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority. This would include instances of:

- Relevant authorisations not obtained.
- Distributing confidential information.
- Accessing systems and / or applications without correct authority to do so.
- Misrepresenting data in reports.
- Theft by an employee
- Collusion between Internal & External parties

This does not include instances where it was not an intentional breach - refer Errors, Omissions or delays in transaction processing, or Inaccurate Advice.

OWNER Jason Whiteaker

CREATED 02/07/2019 14:09:25

LIKELIHOOD Possible

SEVERITY Major

CONTROL EFFECTIVENESS Strong

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

**OVERDUE, CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 09 Dec 2022

FREQUENCY: Fri every week

TREATMENT MC00059

Induction & Training provided to elected members

SIGNOFF(S): Alysha McCall

DUE DATE: 30 Nov 2023

FREQUENCY: The last Day of every 24 months

TREATMENT MC00086

Manage Inductions - Conduct New Employee Induction  
 Induction of new employees into the organisation assists in creating an expectation in terms of what is required

**CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 01 Sep 2023

FREQUENCY: The first Day of every 12 months

TREATMENT MC00087

Manage Procurement - Identify need for procurement  
 Process minimises opportunity for misconduct

SIGNOFF(S): Colin Young  
 Kristy Hopkins

DUE DATE: 01 Oct 2023

FREQUENCY: The first Day of every 12 months

TREATMENT MC00102

Fraud Control Plan in place (refer OAG 2019/20 Report 5 - Fraud Prevention)

SIGNOFF(S): Tamika Van Beek  
 Colin Young

DUE DATE: 28 Feb 2023

FREQUENCY: The last Day of every 24 months

<b>RESIDUAL</b> <b>3.6</b> LOW <hr/> <b>INHERENT</b> <b>12.0</b> R00037	AMP - TRANSPORT, ENVIRONMENTAL - BUILT <b>Asset Inventories inaccurate</b> Asset inventories are not up to date and therefore inaccurate resulting in poor decision making OWNER Michael Newton CREATED 15/07/2019 16:40:29 LIKELIHOOD Likely SEVERITY Medium CONTROL EFFECTIVENESS Strong	TREATMENT MC00018 Up to date and accurate transport management plan in place  TREATMENT MC00019 Up to date and accurate building asset management plan in place  TREATMENT MC00020 Up to date and accurate parks & reserves asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Feb 2023 FREQUENCY: The first Day of every 24 months  SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months  SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Sep 2023 FREQUENCY: The first Day of every 24 months
	AMP - TRANSPORT, ENVIRONMENTAL - BUILT <b>Inaccurate Asset Valuations</b> Valuations are carried out, however inaccurate resulting in impact on Council decision making and financial ratios OWNER Colin Young CREATED 15/07/2019 16:47:14 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00090 Revaluations of Council Building Assets (Fair Value)  TREATMENT MC00091 Revaluations of Council Transport Infrastructure Assets (Fair Value)  TREATMENT MC00092 Revaluation of Council Plant & Equipment	SIGNOFF(S): Colin Young DUE DATE: 01 Feb 2023 FREQUENCY: The first Day of every 60 months  SIGNOFF(S): Colin Young DUE DATE: 30 Jun 2023 FREQUENCY: The last Day of every 60 months  SIGNOFF(S): Colin Young DUE DATE: 01 Oct 2025 FREQUENCY: The first Day of every 60 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00031

GENERAL, REPUTATION - COMMUNITY

**Providing inaccurate advice / information to stakeholders**

Incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff. This could be caused by using unqualified, or inexperienced staff, however it does not include instances relating to Misconduct.

Examples include;

- incorrect planning, development or building advice,
- incorrect health or environmental advice
- inconsistent messages or responses from Customer Service Staff
- any advice that is not consistent with legislative requirements, local laws or policies.

OWNER Jason Whiteaker

CREATED 02/07/2019 13:27:54

LIKELIHOOD Likely

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

**OVERDUE, CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 09 Dec 2022

FREQUENCY: Fri every week

TREATMENT MC00013

Manage Customer Requests - Receive Request  
 Ensuring that the organisation captures and responds appropriately to community and internal requests for works or services

**CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker  
 Alysha McCall

DUE DATE:

FREQUENCY: Once

TREATMENT MC00051

Manage Staff Training - Identify Training Needs  
 Ensure staff training needs are identified and met

**OVERDUE, CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 31 Oct 2022

FREQUENCY: The last Day of every 12 months

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00041

AMP - BUILDINGS, ENVIRONMENTAL - BUILT, HEALTH & SAFETY

**Condition of buildings is unknown**

Council is unclear as to the condition of its building assets and therefore unable to make informed decisions, resulting in poor building condition and building safety concerns

OWNER Shane Moorhead

CREATED 16/07/2019 11:26:43

LIKELIHOOD Possible

SEVERITY Major

CONTROL EFFECTIVENESS Strong

TREATMENT MC00019

Up to date and accurate building asset management plan in place

SIGNOFF(S): Scott Patterson  
 Colin Young

DUE DATE: 01 Jun 2023

FREQUENCY: The first Day of every 24 months

TREATMENT MC00090

Revaluations of Council Building Assets (Fair Value)

SIGNOFF(S): Colin Young

DUE DATE: 01 Feb 2027

FREQUENCY: The first Day of every 60 months

TREATMENT MC00093

Develop and maintain medium term building maintenance program to ensure future costs are understood

SIGNOFF(S): Shane Moorhead

DUE DATE: 01 Nov 2023

FREQUENCY: The first Day of every 12 months

RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - OPERATIONAL <b>Future financial requirements for buildings unknown</b> Council fails to understand and plan for future building maintenance / expansion requirements	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young
	OWNER Jason Whiteaker CREATED 16/07/2019 11:28:36 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00021 Long Term Financial Plan aligned to asset management plans	DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months
INHERENT <b>12.0</b> R00042		TREATMENT MC00034 Long Term Financial Plan in Place	SIGNOFF(S): Colin Young DUE DATE: 01 Dec 2023 FREQUENCY: The first Day of every 12 months
		TREATMENT MC00035 Annual Budget adopted and aligned with long term financial plan	SIGNOFF(S): Colin Young DUE DATE: 31 Jul 2023 FREQUENCY: The last Day of every 12 months

RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - OPERATIONAL <b>Maintenance not planned</b> Planned Maintenance & operation schedules, with budgets, do not exist, resulting in long term financial costs and asset deterioration	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young
	OWNER Shane Moorhead CREATED 16/07/2019 11:36:36 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00035 Annual Budget adopted and aligned with long term financial plan	DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months
INHERENT <b>12.0</b> R00044			SIGNOFF(S): Colin Young DUE DATE: 31 Jul 2023 FREQUENCY: The last Day of every 12 months

RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - STRATEGIC <b>Financial performance indicators not met</b> The asset class does not meet the established financial performance parameters, resulting in an indication of asset sustainability	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): DUE DATE: FREQUENCY:	Scott Patterson Colin Young 01 Jun 2023 The first Day of every 24 months
	INHERENT <b>12.0</b> R00045	OWNER Jason Whiteaker CREATED 16/07/2019 11:38:59 LIKELIHOOD Likely SEVERITY Medium CONTROL EFFECTIVENESS Strong	TREATMENT MC00021 Long Term Financial Plan aligned to asset management plans	SIGNOFF(S): DUE DATE: FREQUENCY:
		TREATMENT MC00090 Revaluations of Council Building Assets (Fair Value)	SIGNOFF(S): DUE DATE: FREQUENCY:	Colin Young 01 Feb 2027 The first Day of every 60 months
		TREATMENT MC00091 Revaluations of Council Transport Infrastructure Assets (Fair Value)	SIGNOFF(S): DUE DATE: FREQUENCY:	Colin Young 30 Jun 2023 The last Day of every 60 months
RESIDUAL <b>3.6</b> LOW	MAJOR PROJECTS, FINANCIAL - OPERATIONAL, HEALTH & SAFETY, PROPERTY - LIABILITY, REPUTATION - COMMUNITY, STRATEGIC - COMMUNITY <b>Aquatic Facility - Ineffective Project Management</b> Aquatic Facility Project not managed effectively	TREATMENT MC00053 Project management framework in place, providing parameters for staff to operate within	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker 31 Jul 2023 The last Day of every 12 months
	INHERENT <b>12.0</b> R00048	OWNER Jason Whiteaker CREATED 14/09/2020 14:23:26 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00054 Prepare Elected Members Monthly Report - Publish Monthly Report Major Project status reporting to Council (through monthly elected member report)	<b>CHANGE(S) PENDING</b> SIGNOFF(S): DUE DATE: FREQUENCY:
		TREATMENT MC00064 Independent Project Superintendent appointed with requisite skills to acknowledge scale and complexity of this project	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker Once
		TREATMENT MC00067 Construction project progress reports to be provided	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker Once

TREATMENT MC00068 Project Superintendent (Donovan Payne) reports to be provided monthly	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
TREATMENT MC00069 Financial variations to be signed off by Project Manager	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
TREATMENT MC00070 All request for information and clarification to be signed off / cited by Council Project Manager	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
TREATMENT MC00071 Project assessment / evaluation to be undertaken at completion and reported to audit committee	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
TREATMENT MC00074 Project time delays to be signed off in accordance with contract	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00049

MAJOR PROJECTS, HEALTH & SAFETY - OCCUPATIONAL

**Aquatic Facility - Insufficient OHS in place for project**  
 Contractor has insufficient systems, processes and practices in place to manage site OHS effectively for the Aquatic Facility Project

OWNER Jason Whiteaker  
 CREATED 14/09/2020 14:26:32  
 LIKELIHOOD Possible  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00065 OHS report required from contractor, including details of site their own OHS site inspections	SIGNOFF(S): DUE DATE: FREQUENCY:	Jason Whiteaker  Once
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RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00050

MAJOR PROJECTS, COMPLIANCE - LEGISLATIVE

**Aquatic Facility - Inadequate Construction Contract**

Aquatic Facility Project construction contract not adequate which exposes Council to contract risk through the construction phase

OWNER Jason Whiteaker

CREATED 14/09/2020 14:27:38

LIKELIHOOD Possible

SEVERITY Major

CONTROL EFFECTIVENESS Strong

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00051

MAJOR PROJECTS, FINANCIAL - OPERATIONAL

**Aquatic Facility - Grant partners milestones not met**

Aquatic Facility Project funding organisations require regular reporting, failure to do so may result in withdrawal of funds

OWNER Jason Whiteaker

CREATED 14/09/2020 14:30:08

LIKELIHOOD Possible

SEVERITY Major

CONTROL EFFECTIVENESS Strong

TREATMENT MC00072

Department of Sport & Recreation milestone reports provided

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

TREATMENT MC00073

Federal Building Better Regions Fund milestone reporting

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

<b>RESIDUAL</b> <b>3.6</b> LOW	<b>MAJOR PROJECTS, COMPLIANCE - LEGISLATIVE, FINANCIAL - STRATEGIC</b> <b>Sale of 239 Yilgarn Avenue - Contract Requirements not satisfied</b> 239 Yilgarn Avenue sale of land does not proceed as a result of non compliance with contract requirements	<b>TREATMENT MC00094</b> The Buyer shall submit a Development Application within six calendar months of the contract date	<b>SIGNOFF(S):</b> Jason Whiteaker <b>DUE DATE:</b> <b>FREQUENCY:</b> Once
	<b>INHERENT</b> <b>12.0</b> R00052	OWNER Jason Whiteaker CREATED 14/09/2020 14:31:42 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	
<b>RESIDUAL</b> <b>3.0</b> LOW	<b>ENGINEERING SERVICES, SERVICE INTERRUPTION</b> <b>PPOSAMP Service Levels Interruption</b> Identify and budget for assets reaching end of life there will likely be service interruptions with delayed replacement timeframes.	<b>TREATMENT MC00106</b> Review Asset Management plan every two years.	<b>SIGNOFF(S):</b> Keith Boase <b>DUE DATE:</b> 01 Oct 2024 <b>FREQUENCY:</b> The first Day of every 24 months
	<b>INHERENT</b> <b>10.0</b> R00054	OWNER Keith Boase CREATED 02/12/2020 09:37:11 LIKELIHOOD Almost Certain SEVERITY Minor CONTROL EFFECTIVENESS Strong	<b>TREATMENT MC00107</b> Ensure asset management plan financial requirements are included in long term financial plan
		<b>TREATMENT MC00108</b> Ensure asset management plan financial requirements are included in annual budget	<b>SIGNOFF(S):</b> Keith Boase <b>DUE DATE:</b> 01 Jun 2023 <b>FREQUENCY:</b> The first Day of every 12 months

RESIDUAL  
**2.7**  
 LOW

INHERENT  
**9.0**

R00024

CHIEF EXECUTIVES OFFICE, COMPLIANCE - POLICY, FINANCIAL - OPERATIONAL, HEALTH & SAFETY - OCCUPATIONAL

**Inadequate Project Management**

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time requirements or scope changes. This includes:

- Inadequate Change Management Framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.

OWNER Jason Whiteaker  
 CREATED 01/07/2019 15:20:45

LIKELIHOOD Possible  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00053

Project management framework in place, providing parameters for staff to operate within

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 Jul 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00054

Prepare Elected Members Monthly Report - Publish Monthly Report  
 Major Project status reporting to Council (through monthly elected member report)

**CHANGE(S) PENDING**  
 SIGNOFF(S): Tamika Van Beek  
 DUE DATE: 15 Dec 2022  
 FREQUENCY: 15th day of every month

TREATMENT MC00055

Internal audit of project and major project (as defined by corporate business plan) management framework compliance.

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 May 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00057

Manage Major Projects - Project Performance and Control  
 Provides process for managing projects

**CHANGE(S) PENDING**  
 SIGNOFF(S): Neville Binning  
 Scott Patterson  
 Jason Whiteaker  
 DUE DATE: 30 Sep 2023  
 FREQUENCY: The last Day of every 12 months

RESIDUAL  
**2.7**  
 LOW

INHERENT  
**9.0**

R00025

CHIEF EXECUTIVES OFFICE, COMMUNITY SERVICES, CORPORATE SERVICES, DEVELOPMENT SERVICES, ENGINEERING SERVICES, FINANCIAL - OPERATIONAL, HEALTH & SAFETY - OCCUPATIONAL, SERVICE INTERRUPTION

**Inadequate Supplier / Contract Management**

Inadequate management of External Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes. This also includes:

- Concentration issues
- Vendor sustainability

It does not include failures in the tender process; refer "Inadequate Procurement, Disposal or Tender Practices".

OWNER Kristy Hopkins  
 CREATED 01/07/2019 15:54:58

LIKELIHOOD Possible  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Strong

RESIDUAL  
**2.7**  
 LOW

INHERENT  
**9.0**

R00003

CHIEF EXECUTIVES OFFICE, STRATEGIC - ORGANISATIONAL

**Ineffective People Management / Employment Practices**

Failure to effectively manage and lead human resources (full/part time, casuals, temporary and volunteers). This includes not having an effective Human Resources Framework in addition to not having appropriately qualified or experienced people in the right roles or not having sufficient staff numbers to achieve objectives. Other areas in this risk theme to consider are;

- Breaching employee regulations (excluding OH&S).
- Discrimination, Harassment & Bullying in the workplace.
- Poor employee wellbeing (causing stress)
- Key person dependencies without effective succession planning in place.
- Induction issues.
- Terminations (including any tribunal issues).
- Industrial activity.

Care should be taken when considering insufficient staff numbers as the underlying issue could be a process inefficiency.

OWNER Jason Whiteaker

CREATED 06/05/2019 13:23:01

LIKELIHOOD Possible

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

TREATMENT MC00049

100% of annual performance reviews undertaken

TREATMENT MC00050

Manage Employee Termination - Receive notification  
 Ensuring that employee terminations are managed appropriately and equitably to minimise risk of further action

TREATMENT MC00051

Manage Staff Training - Identify Training Needs  
 Ensure staff training needs are identified and met

TREATMENT MC00052

Manage Employee Discipline / Misconduct - Receive Notification / Identify Misconduct  
 Ensure any / all staff misconduct in managed effectively and consistently

**OVERDUE, CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 09 Dec 2022

FREQUENCY: Fri every week

SIGNOFF(S): Jason Whiteaker

DUE DATE: 31 Dec 2022

FREQUENCY: The last Day of every 12 months

SIGNOFF(S): Jason Whiteaker

DUE DATE: 01 Jan 2023

FREQUENCY: The first Day of every 3 months

**OVERDUE, CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker

DUE DATE: 31 Oct 2022

FREQUENCY: The last Day of every 12 months

**CHANGE(S) PENDING**

SIGNOFF(S): Jason Whiteaker  
 Jacky Jurmann  
 Jo Metcalf  
 Colin Young  
 Scott Patterson

DUE DATE: 01 Jan 2023

FREQUENCY: The first Day of every 3 months

RESIDUAL  
**2.4**  
 LOW

INHERENT  
**8.0**

R00014

GENERAL, SERVICE INTERRUPTION

**Business Interruption**

A local physical event causing the inability to continue business activities and provide services to the community. This may or may not result in Business Continuity Plans to be invoked.

This does not include disruptions due to:

- IT Systems or infrastructure related failures should be captured under "Failure of IT Systems and Infrastructure".
- Contractor / Supplier issues should be captured under "Inadequate Supplier / Contract Management".
- People issues should be captured under "Inappropriate People Management".

OWNER Jason Whiteaker (Portfolio Manager)

CREATED 24/05/2019 14:43:56

LIKELIHOOD Unlikely

SEVERITY Major

CONTROL EFFECTIVENESS Strong

TREATMENT MC00022

Business Continuity Plan in place and up to date

SIGNOFF(S):

Alysha McCall  
 Jason Whiteaker

DUE DATE:

01 Nov 2024

FREQUENCY:

The first Day of every 48 months

## 6.8 WORK HEALTH & SAFETY COMMITTEE MINUTES

<b>File Reference:</b>	1.1.9.17
<b>Reporting Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

For the committee to receive the WHS Committee Minutes from the meeting held on 20 October 2022.

### ATTACHMENTS

Attachment 1: WHS Committee Minutes 20 October 2022.

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### A. BACKGROUND / DETAILS

Employee safety is a significant risk / exposure to the Shire of Northam. While safety has been a significant an ongoing focus and Council have been informed around audits and progress against actions of audits, it is considered appropriate for Council to be kept up to date at more regular intervals with the presentation of the staff WHS Committee meeting minutes.

The WHS Committee currently meet each quarter and is made up of representatives from across the organisation. Given the importance of safety to the organisation, the Chief Executive Officer is the chairperson for the committee.

### B. CONSIDERATIONS

#### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

Objective: Undertake our regulatory roles in a safe, open, accountable and respectful manner.

#### B.2 Financial / Resource Implications

Nil.

**B.3 Legislative Compliance**

*Work Health and Safety Act 2020*

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

Nil.

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Nil		
Health & Safety	Inadequate safety and security practices	Likely (4) x Major (4) = High (16)	<p>Undertake WHS Audit</p> <p>Implement recommendations from WHS Audit &amp; Report to Audit &amp; Risk Committee</p> <p>WHS Committee Meeting Regularly</p> <p>Toolbox meetings occurring and discussing safety (attach minutes/notes to sign off)</p> <p>Senior Management Meeting (where the WHS system is reviewed and KPI's are measured as an agenda item)</p> <p>WHS Policy Framework in place and reviewed</p> <p>Undertake Workplace Safety Inspections - Undertake Inspection. WHA inspections undertaken for each site.</p>

Reputation	Nil.		
Service Interruption	Nil		
Compliance	Nil.		
Property	Nil		
Environment	Nil		

**B.7 Natural Environment Considerations**

Nil.

**C. OFFICER'S COMMENT**

As WHS is one of Councils biggest risk areas, Officers believe it is prudent for Council to review and receive the minutes from the WHS Committee meetings.

**RECOMMENDATION**

**That Council receive the minutes from the Work Health & Safety Committee meeting held on 20 October 2022.**

**Attachment 1 – WHS Minutes**



**Shire of Northam**

**Minutes**

**Work Health and Safety**

**Committee**



## Health and Safety Committee – Minutes

**Meeting Number:**

**Meeting held on: Thursday 20<sup>th</sup> October 2022**

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**Attendees:**

Nicole Hampton    David Emery  
Judith Hay        Clare Murray  
Allan Jones        Jo Metcalf  
Leah Price         Jason Whiteaker  
Helen Singh        Santo Leotta  
Shane Moorhead

**Apologies:**

Louisa Dyer    Kim Murcutt  
Chadd Hunt    Charles Carr  
Keith Boase

**Approval of previous minutes:**

- Approved By:
- Seconded by:

**Meeting Open:** 20 1408 October 2022

**Key points for discussion:**

**Safety Share** – Incident involving caustic soda shared by Leah with more information added by David.

WHS Audit scheduled for October 2022	LGIS will be out mid-November to audit WHS systems
LTIFR (Lost Time Injury Frequency Rate)	Currently there is nowhere that this is captured as a statistic, Safety Officer to look at the possibility of this being an available statistic on Promapp
TRIFR (Total Recordable Injury Frequency Rate)	This was shown in presentation as a Pie chart, discussion lead into our quarterly safety focus of, Slips, Trips, and falls as this was represented the most amongst all injuries reported for the quarter.
WHS training needs	Allan Jones and Charles Carr to complete Safety Rep training mid-November.
Findings of workplace inspections	Mostly housekeeping issues raised open actions are in progress
Review of WHS Management Plan	Currently no issues just awaiting outcome of WHS audit
Safety officer to investigate all Incidents	Safety officer to be apart of all investigations to provide guidance and for opportunities to further develop skills

**Action items:**

Date	Agenda Item	Action to be taken	Responsible Person	Priority	Time Frame	Date Action Completed
15 <sup>th</sup> December 22	LTRIFR	Investigate possibility of Promapp supporting statistic on dashboard	Leah Price	Low	8 Weeks	
15 <sup>th</sup> December 2022	Review of incidents	Conduct whipper snipper awareness training	Judith Hay	Medium	8 Weeks	
15 <sup>th</sup> December 2022	Review of incidents	Investigate Glyphosate alternative		Low		

28 October 2022	General Business	Add Safety Share prompt to Pre-Start sheet	Santo Leotta	Low	1 Week	
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**Summary of General Business:**

WHS Committee agenda to have more information relating to topics to be addressed.

Safety Officer to be a part of all investigations.

LGIS audit to be conducted on safety systems mid-November

**Meeting Close:** 20 1445 October 2022

**Next Meeting:** 19<sup>th</sup> January 2022

## 6.9 PROGRESS TOWARDS THE ICT STRATEGY PLAN

<b>File Reference:</b>	1.1.9.1
<b>Reporting Officer:</b>	Kudzai Matanga, A/Executive Manager Corporate Services
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple majority
<b>Press release to be issued:</b>	No

### BRIEF

To provide Council with an update on the progress made towards the ICT Strategy Plan.

This report aims to establish a level of accountability in respect to completing the actions identified through the audit undertaken by LGIS in 2019 in order to ensure that continuous improvement occurs within the organisation.

### ATTACHMENTS

Attachment 1: ICT Strategic Plan Action Plan.

## A. BACKGROUND / DETAILS

The Shire of Northam is moving through a significant period of change and development. In recognition of this and the need to ensure that it can continue to meet the aspirations of the community, the Shire of Northam has undertaken to put in place a number of Strategic and Business Plans to deliver short, medium, and long term objectives. The Shire of Northam is providing committed strategic planning and leadership, focused on strengthening our community, providing growth, and diversifying the local economy.

## B. CONSIDERATIONS

### B.1 Strategic Community / Corporate Business Plan

#### Theme Area 6 Governance and Leadership

Outcome 1.1: The Shire of Northam is an attractive investment destination for a variety of economic sectors

Objective: Pursue a range of developments in sectors including retirement living, renewable energy, agribusiness, innovation, logistics and aviation; and

*Embrace technology as an enabler for development, and lobby for high speed internet connectivity.*

**B.2 Financial / Resource Implications**

To be advised / determined.

**B.3 Legislative Compliance**

Local Government Act 1995 and relevant subsidiary legislation.

**B.4 Policy Implications**

N/A

**B.5 Stakeholder Engagement / Consultation**

Nil

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Lack of investment into ICT	Possible (3) x Medium (3) = Moderate (9)	ICT Strategic / forward planning involving stakeholders to determine needed and desired current and future outcomes that can be budgeted for.
Health & Safety	EOL/less than WHS ideal ICT hardware, RF and prolonged machine noise exposure	Possible (3) x Medium (3) = Moderate (9)	EOL hardware replacement decisions to consider WHS requirements. Suitable placement or enclosures for noisy ICT gear such as servers and switches.
Reputation	Slow take up of new technologies	Likely (4) x Minor (2) = Moderate (8)	ICT Team continuing to engage with Shire stakeholders, 3 <sup>rd</sup> party vendors, and other councils re: current and emerging technologies and methods of delivering desired services.

**C. OFFICER'S COMMENT**

ICT services are presently provided to approximately 130 full time, part time, and casual employees across the following sites, Administration, Northam

depot, Wundowie Depot, Northam library, Wundowie library, Bilya Koort Boodja Cultural centre, Visitor centre, Killara adult day care, Northam aquatic facility, the Wundowie swimming pool, Bush Fire Brigade facilities, as well as to the community and stakeholders. This ICT Strategic Plan establishes a course of action to guide the future development and delivery of ICT services for the Shire of Northam.

**RECOMMENDATION**

**That Council receives the update as provided in Attachment 1.**

**Attachment 1: ICT Strategic Plan Action Plan**

**Table Legend:**

**Completed**

**No Action**

**Underway**

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
ICT				
Governance	1. ICT decisions and operations within the Shire will be controlled and guided through a formalised ICT Governance framework. This framework will ensure the alignment of ICT activities with business priorities.	2021/2026	Corporate Services /ICT	<p>Draft strategic and operations plans developed. SLAs to be determined.</p> <p>February 2022 Update: In early discussions with external provider regarding SLAs</p> <p>August 2022 Update: No progress.</p> <p>December 2022 Update: No progress.</p>

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
Emerging Trends and Technologies	2. ICT policies and procedures need to be current enabling the organisation to conduct considered reviews of emerging technologies and trends, to ensure they meet current and emerging needs of the organisation.	2021/2026	Corporate Services / ICT	Acceptable Use and BYOD policies adopted.
Business Systems and Applications	3. Appropriately managed business systems and applications will help consolidate and streamline business processes.	2021/2026	Corporate Services / ICT	<p>Inventory Register established.                      RFQ re: potential CRM/RMS upgrade/migration from Synergysoft occurring.</p> <p>February 2022 Update: Tenders have been received and staff will be evaluation and expecting to present to the next Audit Committee meeting.</p> <p>May 2022 Update: No progress.</p> <p>August: Staff are expecting to receive an overview of the Altus System within the month, this will then determine the best way forward.</p>

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
Infrastructure and Technology	4. ICT has extensive assets and services under management. The best value and maximum benefit from this investment can only be obtained if suitably managed.	2021/2026	Corporate Services / ICT	<p>Systems manual to be developed. Network communications infrastructure plan to be developed.</p> <p>February 2022 Update: No progress.</p> <p>May 2022 Update: No progress.</p> <p>August 2022, limited progress made largely around the Shires CCTV infrastructure which is having a needs assessment carried out.</p> <p>December 2022 Update: No progress.</p>
Disaster Recovery	5. ICT needs to work with the organisation to establish mission critical services and ensure that disaster recovery and business continuity plans meet current and emerging needs	2021/2026	Corporate Services / ICT	Adhoc DR / Business Continuity plan in place and partially tested. Data retention plan developed

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
Security	6. The threat of cyber security incidents continues to rise. The Shire needs to develop and implement security policies and procedures to meet this increasing threat.	2021/2026	Corporate Services / ICT	Ongoing development and training will always be occurring.  May 2022 Update: No progress.  August 2022, No progress.  December 2022 Update: No progress.
Project Management	7. The effective delivery of ICT projects requires a suitable management framework to be implemented	2022	Corporate Services / 2021	Project Management ICT Procedure to be developed  February 2022 Update: No progress.  August 2022 Update: No progress.  December 2022 Update: No progress.

**7. URGENT BUSINESS APPROVED BY DECISION**

Nil.

**8. DATE OF NEXT MEETING**

The next Audit and Risk Management Committee meeting is proposed to be held on 23 February 2022 at 5:00pm.

**9. DECLARATION OF CLOSURE**